

THE \$93 TRILLION WEALTH TRANSFER

THE
FORBES
400

THE 50 MOST INFLUENTIAL CREATORS

VIVEK'S POLITICAL ROI

WHISKEY'S FIREBALL BILLIONAIRE

Forbes

Meta Master
**MARK
ZUCKERBERG**

"GETTING HIT
IN THE FACE
DOESN'T HURT
THAT MUCH."

ZUCK GROWS UP

AS SOCIAL MEDIA'S POSTER BOY APPROACHES 40, HE'S HAVING HIS BILL GATES MOMENT: MELLOWING (A BIT), MATURING (A BIT MORE) AND TRANSFORMING HIS COMPANY (A LOT). IT'S A BIG BET ON THE FUTURE OF DAILY HUMAN LIFE—AND HIS LEGACY.

PLUS: THE 399 OTHER RICHEST PEOPLE IN AMERICA



PATEK PHILIPPE
GENEVE

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ONLY HUMAN

A STORY ABOUT SKILL

"At Patek Philippe, it can take years to train our skilled specialists. It is one of the reasons we do not make more watches than we produce today.

We are not magicians. At our family-owned company, everything we do relies on the skills and creativity of our people. Very human skills which cannot be rushed or replaced.

Only humans can accept the challenge to always be at the edge of what is possible."

THIERRY STERN
PRESIDENT, PATEK PHILIPPE



PATEK PHILIPPE SEAL
PATEK.COM/PHILOSOPHIES

VIEW THE FILM





Forbes

A \$40 Billion
Legacy
PHIL KNIGHT

**"IF I DO THIS RIGHT,
THE CHARITIES I GIVE
TO WILL USE THAT
MONEY BETTER THAN
THE GOVERNMENT."**



PATEK PHILIPPE

GENEVE

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THERE IS NO STAR

A STORY ABOUT COLLECTIONS

"Why does Patek Philippe have so many collections? Because while each collection has a different character, each one allows us to innovate and to express ourselves.

Of course, this takes more time than if we had just one collection. But for me, creative freedom is at the heart of our family-owned watch company.

This, and the knowledge that not all people who like our watches, like the same watch. It is for this reason that there is no hero watch at Patek Philippe. There is no star."

THIERRY STERN
PRESIDENT, PATEK PHILIPPE



PATEK PHILIPPE SEAL
PATEK.COM/PHILOSOPHIES

VIEW THE FILM



Forbes

A close-up portrait of Vivek Ramaswamy, a man with dark hair and a light complexion, wearing a dark suit, white shirt, and a red tie. He is looking directly at the camera with a neutral expression. The background is dark and out of focus.

Political
Calculator
**VIVEK
RAMASWAMY**

"YOU ONLY GET TO BE AN
OUTSIDER ONCE."



A 100 YEAR RESPONSIBILITY

A STORY ABOUT COMMITMENT

"Will a Patek Philippe still be a Patek Philippe in 100 years?"

We believe so.

Because our watchmaking is of the highest level, we have faith that each of the hundreds of parts in our watches will function well into the future.

With perhaps a little oil.

This commitment is my personal responsibility. Watches made now cannot be a problem for my successors. Because at our family-owned company, they will be my sons."



THIERRY STERN
PRESIDENT, PATEK PHILIPPE



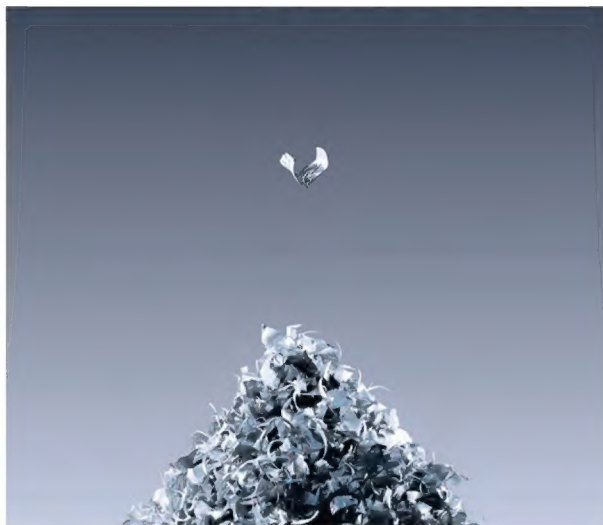
Forbes

A close-up portrait of Peggy Cherng, an older woman with short dark hair, wearing a light blue blazer and pearl earrings. She is smiling slightly and looking directly at the camera. The background is dark.

Fast Food
Scientist

PEGGY CHERNG

"A LOT OF PEOPLE
AREN'T EDUCATED
AS ENGINEERS.
I HAVE AN ADVANTAGE."



FAST IS THE ENEMY

A STORY ABOUT STANDARDS

"At Patek Philippe, when we make a watch, however hard we work, we can only go at one speed. One that ensures we adhere to the high standards for which we are respected.

We understand that some people express frustration at this. They want us to go faster. But at our family-owned watch company, fast is the enemy. Because to accelerate the time it takes to make a watch we would have to cut corners and lower our quality.

And then the watch might be a very good timepiece. But it would not be a Patek Philippe and would not merit the Patek Philippe Seal."



THIERRY STERN
PRESIDENT, PATEK PHILIPPE





Forbes

Vulture
Capitalist
MARC LASRY

"IF YOU STAY CALM
AND YOU BUY WHEN
EVERYBODY IS
PANICKING, OVER TIME,
YOU WILL END
UP DOING WELL."

GRAND



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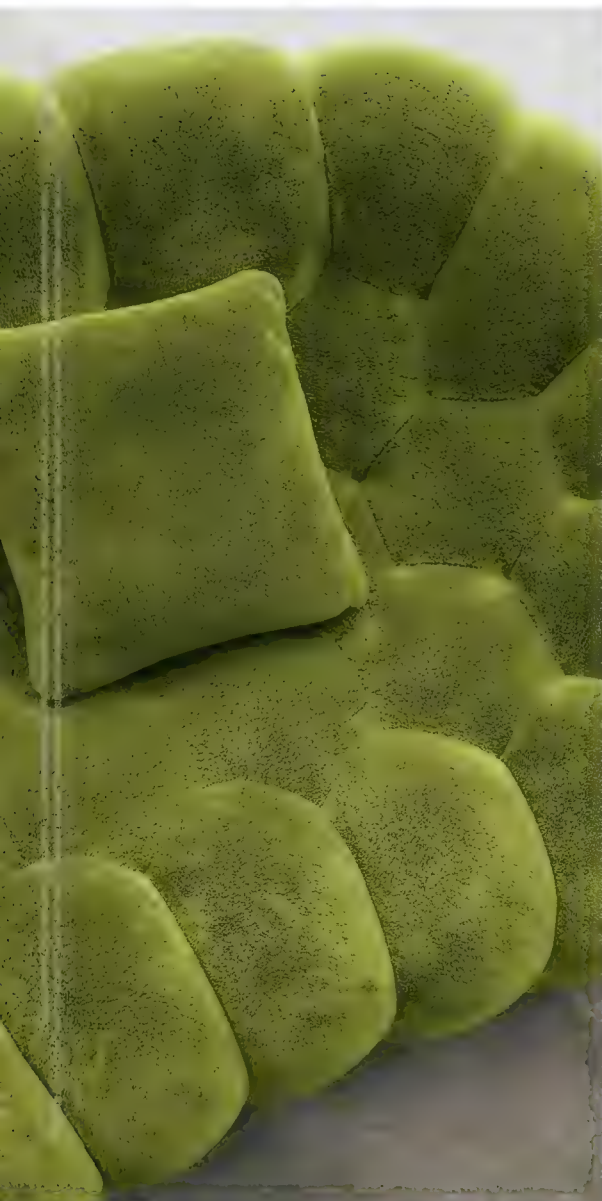
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• INSIDE •

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As social media's poster boy approaches 40, he's having his Bill Gates moment: mellowing (a bit), maturing (a bit) and suspending his company with staggering confidence. It's a big bet on the future of daily human life—and his legacy.

By Kerry A. Dolan



MARK ZUCKERBERG BY GUERIN BLANK FOR FORBES

New Perspectives

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fresh touch.

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Japanese beauty,
crafted into a mechanical timepiece.

PRESAGE

SEIKO

SINCE 1881





October/November 2023

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The \$95 Trillion Wealth Transfer

Boomers and their elders control two-thirds of America's household wealth. The richest among them have spent decades thinking about what will happen to their fortunes when they're gone. Four Forbes 400 members, ages 77 to 87, give a master class in how to make sure your money goes to charity and children, not to Uncle Sam.

By Matt Durot

100

Vivek's Political ROI

Fanciful promises and self-salesmanship made Vivek Ramaswamy a billionaire by age 38. That same playbook has fueled his early rise in presidential politics. Win or lose in 2024, he'll emerge richer and more powerful than ever—just how he planned it.

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The Forbes 400

America's superrich are riding high again. After losing a collective \$500 billion last year, the nation's 400 wealthiest people have gained it all back and are now worth \$4.5 trillion in aggregate.

Edited by Rob LaFranco and Chase Peterson-Withorn

ON THE COVERS

MARK ZUCKERBERG
Photography by
Guerin Blask for Forbes

VIVEK RAMASWAMY
Photography by
Jamel Toppin for Forbes

PHIL KNIGHT
Photography by
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PEGGY CHENG
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In just three years, Khaby Lame, with more than 160 million fans, has become the most popular TikTok in the world—without speaking a single word. Brands are now clamoring to pay the quiet comedian a fortune for a piece of his social media magic.

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CONTRARIAN

FORBESLIFE

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Peggy Chermg built Panda Express into the McDonald's of Chinese food by using her engineering background and big data to exponentially spice up sales—making her a multibillionaire along the way.

By Chase Peterson-Withorn

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Vulture investor Marc Lasry and his sister Sonia Gardner have made their investors billions buying debt and other troubled interest-bearing obligations, such as tax liens. Now they've set their sights on sports, looking for value in unexpected places like Major League Pickleball and the NBA's Africa league.

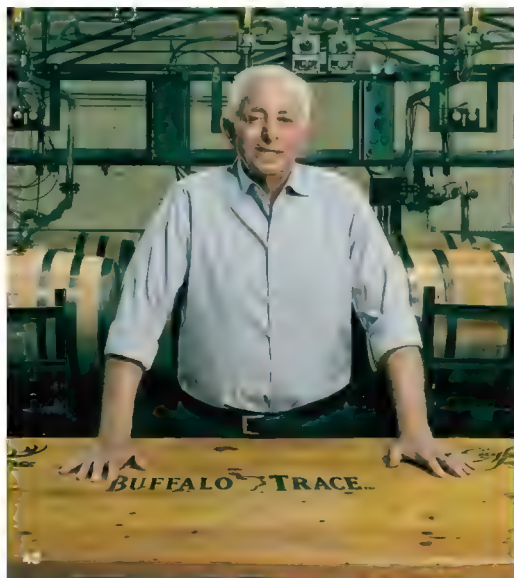
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"Accuracy is everything when you disarm and dispose of explosive hazards."

- Explosive Ordnance Disposal (EOD)



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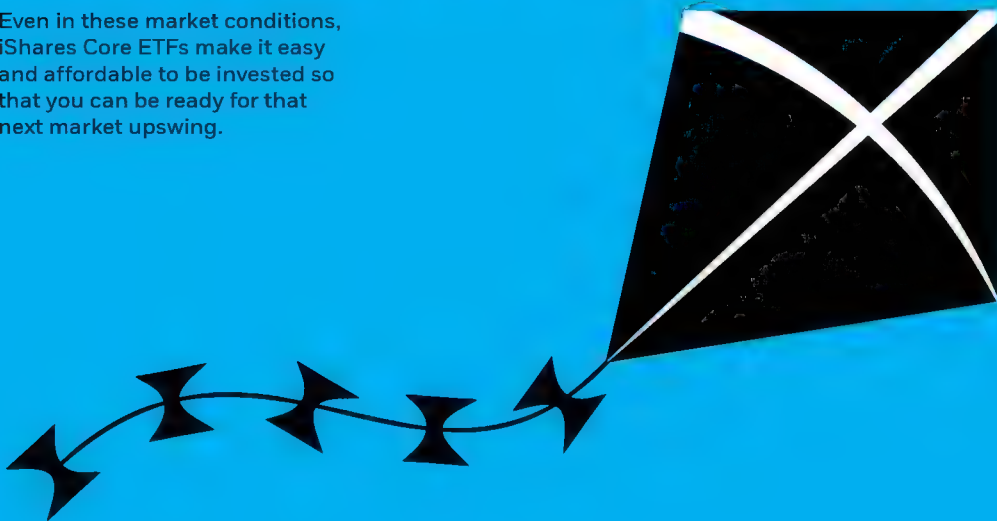


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• FACT & COMMENT •

By Steve Forbes, Editor-in-Chief

Prosperity in Peril

23

Foreign trade is getting a bad rap these days here and overseas. GOP presidential candidates are talking tough on the subject, while Democrats follow the unions' protectionist predilections. Former President Donald Trump has proposed imposing a 10% tariff on everything the U.S. imports and slapping even higher tariffs on goods made in countries that engage in alleged currency manipulation or unfair trade practices.

A tariff is a sales tax, pure and simple. When the U.S. places a tariff on an import, it's imposing a sales tax. A 10% import sales tax would cost Americans more than \$300 billion. Ouch!

You'd never know it from what politicians say, but foreign trade makes us stronger, not weaker. Unfortunately, China's growing aggression is stoking protectionists' fears, leading U.S. policymakers and politicians to shun deals that would reduce barriers with other countries and regions.

Both the U.S. and Britain would benefit enormously from a free trade agreement, yet after encouraging noises, President Biden is backing off. Nor is the U.S. pursuing a deal with Asia-Pacific nations, which would lessen China's growing economic power in the region.

Free trade has fewer defenders these days than free speech. And here is what's so sobering and worrying: Growing protectionism could lead to an unintended tragedy, just as it did before World War II.

What triggered the Great Depression was the U.S.' passage of the Smoot-Hawley Tariff Act, which raised taxes on a mind-numbing array of products and set off a global trade war that



visceralized trade. This was followed by other economic idiocies, such as sharply raising taxes.

The Depression created the conditions for the Nazi ascent in Germany, which, in turn, brought on the Second World War. With that horror in mind, Allied policymakers after the war put the Free World on the road to reducing tariffs.

Let's get one profound fact clear: The vast growth in international trade since WWII has been crucial to the enormous increase in living standards since that catastrophe. We'd all be significantly poorer without it. For in-

stance, what enabled the initial cellphone to become the handheld supercomputer we take for granted today were the intricate international supply chains that grew as trade barriers receded. The complaints about trade don't hold up.

A trade deficit is not the equivalent of a company's losing money. It is a meaningless measure of a country's economic health and in our case ignores the flow of investment money into the U.S. America routinely incurred trade deficits as we became the mightiest nation in history.

As for manufacturing, what hurt that sector was a torrent of largely unnecessary government regulations. The easing of this abuse under President Trump helped that part of the economy improve significantly.

China accounts for 11% of our international trade. Surely our politicians can separate trade policies with Beijing from those with most of the rest of the world. And, by the way, putting tariffs on imports from such Asian countries as South Korea will make them more dependent on China.

Don't Cry for Argentina

Some encouraging news for economic freedom and sanity is coming from, of all places, Argentina. That country has long been notorious for rotten economic policies—mainly high taxes, crushing regulations and, most infamously, chronic bouts of hyperinflation. A century ago, Argentina was one of the richest, fastest-growing countries in the world; today, it ranks around 70th-richest. As the peso plummets in value in the latest round of debilitating inflation, more and more Argentinians are experiencing poverty.

But a dramatic turnaround may be in



Javier Milei, a candidate in Argentina's presidential election runoff.

the offing. In August's national presidential primary, candidate Javier Milei stunned everyone by receiving more votes than either of the two establishment candidates. A runoff is coming in October.

Milei's platform is an eye-opener. He wants to abolish Argentina's central bank and replace the peso with the dollar. He advocates for massive tax cuts for this grossly overtaxed economy. He's proposing to take a chainsaw to government spending and to slash the country's bloated bureaucracies.

Such drastic surgery is needed to get this

beleaguered country on the road to sound free-market prosperity. Argentina is blessed with abundant natural resources, rich agricultural land and an educated population. There's no reason it can't rapidly become a stellar economic success story. Such an achievement would stand as a badly needed model for a continent falling further under the sway of far-left and increasingly dictatorial governments.

After the 1920s, Argentina was cursed with a lethal brew of fascist nationalism and socialism that has continued to this day. All of its previous liberal institutions were destroyed.

Menem himself held such views as a young man, but as he observed the awful results, he began looking for alternatives. He read the free-market works of such noted economists as Ludwig von Mises and came to a profound understanding that capitalism has been the best slayer of poverty in human history. Menem has even named his dogs after free-market economists, including Milton Friedman. He impishly won't comb his hair after a shower, letting "the invisible hand," as he puts it, do it instead.

Although a political outsider who is a first-term member of Argentina's Chamber of Deputies, Menem decided to make the case for a radical free-market antidote to a troubled nation as the candidate of the libertarian party. Voters are responding positively.

Of course, the political establishment is appalled. So is much of the international media, which portrays Menem as a far-right demagogue. The real demagogues are all those Argentinian leaders who have brought this country to its sorry state, primarily General Juan Perón, who first seized power in the 1940s. Perón was an open admirer of Italy's fascist dictator, Benito Mussolini, and made Argentina a haven for Nazi war criminals after WWII.

If Menem is victorious, he will have an advantage when facing formidable foes like the country's powerful unions, which are determined to stay on the ruinous road of the past. He will have won a mighty mandate by laying out a clear economic agenda.

RESTAURANTS: GO, CONSIDER, STOP

Edible enlightenment from our eatery experts and colleagues Monie Begley, Richard Nalley and Randall Lane, as well as brothers Bob, Kip and Tim.

● Emilio's Ballato

55 East Houston St., between Mulberry & Mott streets (Tel.: 212-274-8881)

A perfect, genuine family-run restaurant preparing delicious southern Italian fare. Patriarch Emilio bought the spot in 1992 and spent years perfecting his cuisine. Now he sits at the first table keeping an eye over all; his tall, handsome son Mario bestrides the two cozy rooms making sure all are comfortable and that the service is impeccable, and his son Anthony has taken over as chef. Though celebrities dine here often, be forewarned: Their privacy is well-guarded. Dishes are familiar but knocked up a notch or two. Begin with a platter of glistening clams on the half-shell or the baked little-necks. Then move to the Caesar salad or the mozzarella with roasted peppers. There are pastas galore—pomodoro, Bolognese, vongole, ricotta, Amatriciana—each oozing with flavor. The veal Parmigiana, the Emilio chicken and the baked shrimp in garlic are each exquisite. The desserts are divine. The wine list is extensive and includes various Montepulciano and Gavi.

● Mary's Fish Camp

64 Charles St., at the corner of West 4th St. (Tel.: 646-486-2185)

A popular seafood shanty in the West Village. We began with a delicious celery root slaw and a romaine salad with cucumbers and radishes in an authentic green goddess dressing. Next were an order of fried green tomatoes with a creamy white sauce and an order of sweet pea pancakes. The main courses were a thick, juicy lobster roll and a rich, fulsome bouillabaisse of lobster, shrimp, scallops, squid, mussels and clams in a light broth. Both delicious. Accompanying the lobster roll was a large mound of stone-cold skinny fries. We asked the waitress if we could have an order of hot fries without bothering the chef. She returned to tell us that the chef wanted the plate (something to avoid) and that she was told to tell us that if we didn't return it we'd be charged for a new order of hot fries. Needless to say, the chef ruined the meal with his petulant confrontation—and at \$344 for two!

● Nasrin's Kitchen

35 West 57th St. (Tel.: 917-261-4600)

Iranian immigrant Nasrin Rejali collected a devoted following with her traditional Persian cooking at her catering and pop-up venues around the city before she opened her namesake restaurant off Fifth Avenue in June. Rejali's high-ceilinged, second-floor domain with its white linen cloths and white marble walls gives off a comfortable vibe of faded grandeur that still manages to feel kind of grand. Dishes such as mirza ghasemi, a mellow, rich-textured eggplant-and-tomato

dip, and chelo khorshet-e-aloo, a beef shank in a broodingly dark sweet-and-savory stew, bring to light a complex Middle Eastern cuisine that has been too long underrepresented in the Big Apple.

● The Little Owl

90 Bedford St., at the corner of Grove St. (Tel.: 212-741-4695)

A tiny West Village restaurant with a great vibe and cozy atmosphere. A great place to enjoy a great meal. The Bibb lettuce and yellow beet salad has a perfect vinaigrette, and the dressing for the Caesar isn't heavy. The lamb shank is tender enough to cut with a fork, and the Bell & Evans chicken is as good as it gets. Go for the carrot cake for dessert.

● Caravaggio

23 East 74th St. (Tel.: 212-288-1004)

This tunnel-like space, which terminates in a large, cartoonish mural, has good acoustics that make conversations almost as pleasurable as the food is delicious. The watermelon gazpacho is a total delight on a warm evening. Beef carpaccio is finely sliced and melts in the mouth. The assortment of risottos and pastas is beyond mouthwatering, with the seafood risotto and the homemade potato gnocchi with mozzarella, tomato sauce, fresh basil, onion and oregano garnering raves. The veal scallopini can't be beat, and the soft shell crabs are delicately battered perfection. Either the tiramisu or the baba rum top off a perfect meal, which can be further enhanced only by a delectable peach cosmo.

● Perrine

The Pierre, 2 East 61st St. (Tel.: 212-940-8195)

It's nice to see that this iteration of The Pierre hotel's restaurant has hit its stride. The setting is comfortable with attractive contemporary art enlivening the walls. The chilled sweet pea soup is refreshing; the lobster salad is beautifully presented and luscious; the French roasted chicken is delicious. For dessert you can't go wrong with either the warm chocolate cake or the Perrine Pavlova.

● Anton's

570 Hudson St., between 11th & Perry streets (Tel.: 212-924-0818)

A neighborhood place with unpretentious décor and consistently good food. If you're waiting, a plate of olives and almonds appears to keep you happy until your guests arrive. Fun appetizers include tomato and Stilton and whitefish salad with lots of capers and rye crisps. Sandwiches are generous. The chicken wings with a Stilton dip hit the spot, and the grilled zucchini salad is a tasty vegetarian alternative. For dessert order peach Melba with homemade ice cream or the six cookies so you can take half of them home to enjoy later.

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WHAT'S
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WHO'S
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Screen Stealer

Streaming comedy sensation Khaby Lame cites reruns of the 1990s sitcom *The Fresh Prince of Bel-Air* as his showbiz inspiration.

Top Creators

MILLION-DOLLAR MIME

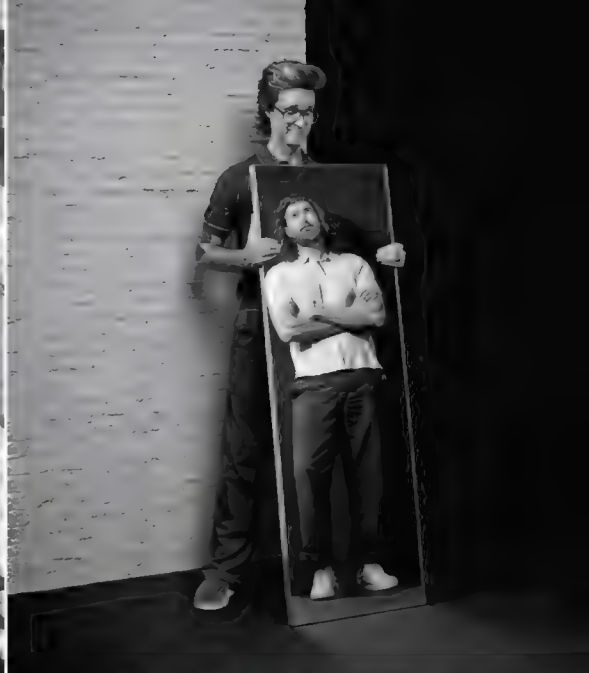
In just three years, **KHABY LAME**, with more than 160 million fans, has become the most popular TikTok in the world—without speaking a single word. Brands are now clamoring to pay the quiet comedian a fortune for a piece of his social media magic.

OCTOBER/NOVEMBER 2023



MONET McMICHAEL • Earnings*: \$4.1 MILLION
BEAUTY BARON

The Rutgers Nursing School grad has the prescription for building a loyal fan base. In a business where 2% engagement is impressive, McMichael, a makeup and beauty influencer, regularly interacts with 13% of her more than 5 million followers. She has used her powers of attraction to score deals with MAC Cosmetics, Fresh Beauty and Bumble.



RHETT & LINK • \$35 MILLION
STREAMING STUDIO BOSSES

Best friends since grade school, the two former engineers—real names Rhett James McLaughlin (shown in mirror) and Charles Lincoln "Link" Neal III—began posting comedy shows on YouTube in 2011. Today their Burbank, California, entertainment company, Mythical, employs more than 100 people who create YouTube series like the daily variety show *Good Mythical Morning*, the *Mythical Kitchen* cooking series and sketch comedy channel Smosh for their 18 million subscribers.

K habane "Khaby" Lame slinks into a modern mansion, evades armed guards and breaks into a hidden vault loaded with loot.

No, the Italian influencer, the world's most-followed person on TikTok, hasn't turned to a life of crime. Lame, who in 2019 was assembling car filters in a factory outside Turin, is now a star character in *Fortnite*, the blockbuster multiplayer video game with more than 230 million monthly players.

"When I started making videos, people told me to get a proper job," he says. "But I continued to make videos because that's what I like doing, even though no one was watching them."

These days, all eyes are on Khaby Lame. He posts short comedy clips of him spoofing famous memes and mocking elaborate internet stunts, including a chef peeling a banana with fancy knife cuts and a DIY inventor showing off a homemade robot that hands you a piece of toilet paper. Since gaining notice during pandemic lockdowns, Lame's two-minute-long TikToks have attracted 2.4 billion likes and 162 million followers—more than triple the population of his home country. On Instagram, he has 80 million

followers. He has amassed this enormous fan base without uttering a single word, communicating instead with animated shrugs and expressive eyes. In doing so, he has become the Charlie Chaplin of the digital age, the mime of memes whose relatable videos entertain hundreds of millions across languages, borders and cultures.

This year Lame has made TikTok skits with Matt Damon, Robert Downey Jr. and Tom Cruise. He's taken penalty kicks with soccer legend David Beckham and starred in a Super Bowl ad campaign for insurance giant State Farm.

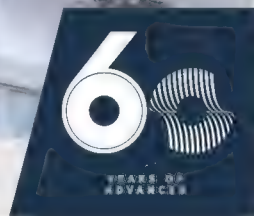
State Farm's marketing head, Alyson Griffin, says it partnered with Khaby because he was the most popular TikToker in the U.S., was brand safe and whimsical, and someone it could work with over the long term to expand its initial investment. "The Super Bowl was watched by 115 million people," she says. "Our main TikTok video with Khaby got 220 million views, plus all the follows, likes, comments and shares."

For Lame, silence has been golden. *Forbes* estimates that since June 2022, he has grossed \$16.5 million thanks to deals with companies including Hugo Boss, Binance and Middle East bank QNB—plus his *Fortnite* and State Farm partnerships. Today he fetches \$750,000 to feature a prod-

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DRUSKI • \$10 MILLION
DIGITAL JOKESTER

Drew "Druski" Desbordes has turned his funny internet skits into a media empire. Over the last year, the comedian—who is also an actor and record producer—has been the opener for concerts by musicians J. Cole and Lil Baby, acted in TV series *House Party* and *Praise This* and launched a label, Coulda Been Records. Corporate partners include Nike, Google and AT&T. He's also the pitchman for Happy Dad, a hard seltzer brand that he partly owns.



OLIVIA DUNNE • \$2.3 MILLION
TIKTOK TUMBLER

Dunne, an all-American gymnast at Louisiana State University, is the world's most-followed college athlete. The New Jersey native has turned her 12 million followers into licensing gold thanks to deals with Motorola, AI assistant Caktus and clothing brands American Eagle and Vuori.

uct in a TikTok and Instagram post. The brand must fit his family-friendly image: "I turn down most requests," he says. "I want to work clean. I've never worked with an alcohol company, cigarettes or anything that's bad for you because a lot of kids follow me."

Lame ranks 11th on our second annual Top Creators list and is a prime example of the power, and profits, up for grabs in the red-hot influencer economy. To rank the world's Top Creators, we crunched data on the earnings, follower counts, engagement rates and entrepreneurial activities of thousands of internet personalities with the help of creator marketing firm Influential. Between June 2022 and this June, our 50 leading creators leveraged their combined 2.6 billion social media followers to haul in an estimated \$700 million in earnings. That's a 23% jump from 2022's \$570 million.

This year brands will spend an estimated \$21 billion on creator marketing, up from just \$1.6 billion seven years ago, according to social media research firm Influencer Marketing Hub. "Influencers are the most powerful and prolific media and commerce vehicle ever invented," says Erin Lanuti, chief innovation officer at ad titan Omnicom PR Group. "They're more trusted by their audiences than

ads. They can sell out products in minutes. They can cause a flash mob that shuts down a major city. They can build a billion-dollar brand without any other marketing. And they can destroy a billion-dollar brand with a post."

They know their power and are using their clout to spring from social media into other industries. Jimmy "MrBeast" Donaldson, 25, who holds the top spot on our list for the second year running, has used his 180 million-subscriber YouTube channel to launch a snack bar company called Feastables and a fast food chain, MrBeast Burger. (Disclosure: Donaldson is slated to become a member of Forbes' board when a planned sale of the company is completed.) Addison Rae and Bella Thorne have gone from lip syncing on TikTok to scoring major record deals. As for Lame, he's hoping his star turn in *Fortnite* is a steppingstone to Hollywood. In June, his documentary short (and directorial debut) *I Am Khabane* premiered at Italy's Taormina Film Festival. "I love writing stories and films," he says. "I want to be an actor—and direct too."

FOR THE FULL LIST, PLEASE VISIT
Forbes.com/top-creators



TONDA *PF* SKELETON GOLD

PARMIGIANI
FLEURIER

Unleashing Innovation: How AI, Bio and Cleantech Keep LG Ahead of the Curve

The South Korean multinational corporation has made a significant investment in advanced technologies as part of its commitment to delivering long-term value for its shareholders and consumers.

For the past five years, LG has quietly, but with great purpose, been laying the foundation for its future growth strategy, placing big bets on three key industries at the heart of the future global economy: AI, bio and cleantech.

The bold approach is led by the conglomerate's Chairman and CEO of LG Corporation, Koo Kwang-mo, who took the helm in June 2018 and immediately sparked a transformative shift by calling on the company to build its future business portfolio with a proactive look to the future. Urging the company's leaders to continue thinking long term, he pointed out that previous bases for the company's industry-leading success in electronics, batteries and OLED displays were built on a solid foundation of innovation and planning.

"Throughout our journey, LG has always been a pioneer, thinking decades ahead," Koo says. "The investments we're making in AI, bio, and cleantech are the building blocks of our future success, provided we stay dedicated to innovation and challenges."

The Path to AI, Bio and Cleantech

Koo's moves serve as a testament to LG's focus on enhancing shareholder value in the long term. He has led investment in three business lines with strong growth potential that also undergird LG's commitment to delivering strong value to consumers and long-term environmental sustainability.

All three areas call for strategic, long-term patience. The drive toward becoming a key player in AI is a nod to the forthcoming industrial transformations, as technology continues to redefine business paradigms in nearly every sector. In bio, LG seeks to deliver a brighter future for humanity, with investments aimed at developing treatments and cures for a range of diseases and conditions, including cancer, obesity and diabetes.

The company's cleantech investments go beyond corporate responsibility, as LG looks to develop and leverage technologies designed to help companies and organizations achieve key sustainability goals, such as decarbonization and building a circular economy.



Koo Kwang-mo, Chairman and CEO of LG Corporation



Laying the Groundwork for Future Growth With AI

LG has earmarked a substantial R&D investment of nearly US\$3 billion in AI over the next five years. The LG AI Research, opened in 2020, is an AI hub for bringing the company's vision to life. In July, scientists and engineers at the LG AI Research initiated EXAONE 2.0, a large-scale multimodal AI designed to work jointly with human intelligence in learning from some 45 million professional documents, including patents and papers, and 350 million pieces of image-text data. This will help LG to create new customer value by using AI to solve key challenges in various industries.

Blazing a Trail Toward a Transformative Bio Business

Following Koo's appointment in 2018, the company moved quickly to strengthen its R&D capacity for new drug development, and the hard work is already paying off with an expanding pipeline of treatments in a variety of important areas such as cancer and diabetes. From a modest 10 candidates in 2018 to over 40 today, with half targeting cancer, LG's researchers are already finding success.

The acquisition of AVEO Pharmaceuticals, a prominent player in the U.S. anti-cancer field, further highlights LG's determination to be at the forefront of pharmaceutical innovation.

LG aims to achieve top-tier status in the global pharmaceutical industry by 2030. Cancer treatments are a crucial component of this strategy, and the company has established a task force with specialized researchers to spearhead the development of cell therapies.

Pioneering Cleantech Initiatives for a Sustainable Tomorrow

LG's vision in cleantech encompasses three strategic pillars: developing eco-friendly plastics with biomaterials, harnessing recycling technologies for waste plastics and batteries, and bolstering carbon reduction technologies using renewable energy sources like solar and hydrogen. LG Energy Solution, a prominent player in the global EV battery market, is capitalizing on the surging global demand for electric vehicles.

LG Energy Solution currently operates a plant in Michigan and recently announced another standalone facility in Arizona. The company is also running a joint operation with GM in Ohio, and is building new plants with GM in Tennessee and Michigan. Additionally, LG Energy Solution has joint ventures with Honda in Ohio, Hyundai Motor Group in Georgia, and Stellantis in Ontario, Canada, and is rapidly strengthening its global supply chain for critical raw materials.

It has demonstrated its commitment to sustainability by working on investments in recycling and reusing waste batteries, including an innovative battery-as-a-service (BaaS) business to help customers manage their batteries efficiently.

The circular economy is another key part of the picture, as LG ventures into chemical recycling to boost sustainability. LG Chem will build South Korea's first plant for pyrolysis oil, a renewable fuel extracted from used plastics, with an annual capacity of 20,000 tons by the first quarter of 2024. It also announced a US\$2.3 billion investment in sustainability businesses centered on eco-friendly materials by 2050 to build the renewable energy industry into a future growth pillar.

The next chapter in the company's history is currently unfolding, with AI, bio and cleantech taking center stage as the new stars. The story looks set to play out over the next two decades, and it promises to be a fascinating journey to witness.



EXAONE 2.0's three platforms—Universe, Atelier and Discovery—contribute significantly to research. Discovery, for example, incorporates molecular structures, formulas, charts, tables and images, aiming to reduce development time for various innovations, from new materials to new medications. This will significantly reduce trial and error during R&D.

LG has also formed strategic research alliances with top-tier institutions, such as the University of Michigan, Seoul National University and the University of Toronto, all with the aim of accelerating investments in large-scale AI and discovering blue ocean technologies. It is also partnering with leading players in IT, finance, manufacturing, telecommunications and healthcare. A recent tie-up with Qraft Technologies, a fintech startup, will release an innovative AI-based ETF on the New York Stock Exchange.



www.lgcorp.com



Sustainability / 30 Under 30

ECO-TAILGATERS

Fresh takes on parking lot party essentials with the Forbes 30 Under 30, in 30 words or less.

Peter Frelinghuysen 23
Misha Medvedev 23
COFOUNDERS, **EARTH BRANDS**

Go green, young frat boy: Earth Brands has sold more than 50 million of its Mark Cuban-backed recyclable or compostable "bioplastic" plant-derived Solo cup alternatives. Estimated 2023 revenue: \$4 million.

Ben Parker 29
COFOUNDER, **LIGHTSHIP**

This Tesla alum has raised \$27 million to electrify and streamline the staid, hulking recreational vehicle. Production of Lightship's sleek plug-in travel trailer will start in late 2024.

Ana Cecilia Gonzalez 29
COFOUNDER, **HYPE AND VICE**

Ethically sourced attractive college-branded clothing? Yep. H&V sells stylish duds emblazoned with the logos of 250 schools. With new MLS and NBA deals, it projects \$10 million in '23 revenue.

Ryan Frazier 29
Logan LaMance 27
Austin Maxwell 28
COFOUNDERS, **KANGA COOLERS**

Adios, warm beer! This trio devised a \$45-and-up soft cooler that slips around a case of suds. Stays frosty for seven hours without wasting electricity. 2023 revenue: \$12 million.

Little Big Picture

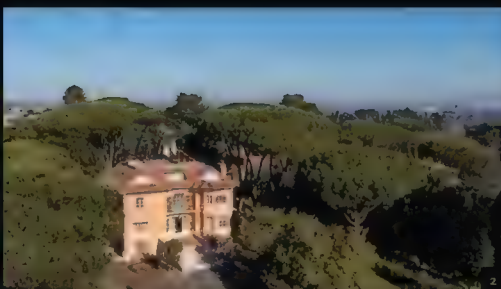
THROWAWAY SOCIETIES

Garbage, trash, rubbish: Humans produce more than 4 trillion pounds of the stuff every year, per the World Bank. But some countries are trashier than others, according to waste management company Sensoneo's Global Waste Index. Here are the five that generate the most and five that produce the least junk per inhabitant—although some of the top waste producers, such as Norway and Denmark (but not the U.S.), are also among the planet's most proficient recyclers.



Pounds of Trash Per Person Per Year





Showcasing the world's finest homes... and the stories behind them

1) James Cameron's 100+ Acre Coastal Ranch • Caviota, California • US \$33,000,000
Emily Kellerberger | DRE: 01397913
+1 805 252 2773 | emily@villagesite.com
Village Properties

3) Villa Annonciade • Sole Panthouse • Monaco • EUR €28,000,000
Johanna Rit
+336 15 70 33 50 | johanna@ri-properties.com
RI Properties

5) 1940 Bel Air Road • Los Angeles, California • US \$29,950,000
David Kramer, DRE: 00996960 | Roya Sklar, DRE: 02021090
info@hiltonhyland.com
Hilton & Hyland

2) Gucci Villa • Rome, Italy • EUR €15,000,000
Chiara Gennarelli
+39 3342802441 | c.gennarelli@bhglobalproperties.com
Building Heritage

4) 546 W Pacific Avenue • Telluride, Colorado • US \$11,495,000
Ben Jackson
+1 970 708 1495 | bjbjack@gmail.com
Telluride Real Estate Corp.

6) 101 Fox Hedge Road • Saddle River, New Jersey • US \$6,995,000
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At the beginning of his freshman year, Jalen's ambition wavered. He lost sight of the goal and found himself straying from his path. Through Communities In Schools became his trusted guide, working with Jalen to improve his attendance, raise his GPA and set clear goals for the future. Now a senior, Jalen is a first-team defensive player and drum major in his high school marching band. He's exploring musical scholarship opportunities in college and he has dreams of becoming a U.S. Marshal. There are millions of other kids like Jalen who need a caring adult to help them stay in school and succeed in life.

See how we help all kids succeed. **CommunitiesInSchools.org**



WORLD OF FORBES

Across the planet, our 45 licensed editions span six continents, 27 languages and 14 time zones. They all share the same mission: celebrating entrepreneurial capitalism in all its forms.

COLOMBIA

Forbes Colombia's list of the nation's top economists includes José Antonio Ocampo, former minister of finance; Raquel Bernal, the first female rector at the University of Los Andes; and Marcela Meléndez, senior advisor to the chief economist for Latin America and the Caribbean at the World Bank.

GEORGIA



American International School Progress, founded by Nina Chikvashvili 21 years ago in western Georgia, now has three campuses with 2,000 students from pre-K to 12th grade. It aims to raise \$8.5 million for a new facility in Tbilisi to open in 2025.

CZECH REPUBLIC



The nation's richest person, energy billionaire Daniel Kretinsky, is on a buying spree, purchasing stakes in Foot Locker, *Le Monde* and soccer team West Ham since 2018 while tripling his net worth over the same period. He is now set to acquire French grocer Casino for \$1.3 billion.

GHANA

"What I don't want to happen is yet another outside powerhouse starting to own African media and the African narrative."

—British actor Idris Elba, whose parents hail from Ghana and Sierra Leone, in *Forbes Africa*, discussing the production company he recently launched with Nigerian actress Mo'Nique to empower African creatives.



ARGENTINA

Nearly half of all soybeans planted in the world have genetics from Buenos Aires-based Grupo Don Mario. Ignacia Bartolomé, who is now CEO of the family company his father founded, calls it a research company more akin to Google and Facebook.

BULGARIA

Shelly, a Sofia-based IoT company, is developing a customized semiconductor for its smart home products. CEO Dimitar Dimitrov is betting the chips will improve the devices' interconnectivity and help nearly triple the company's revenue in three years.



GERMANY

Sophie Chung, a medical doctor and former health care consultant, founded Berlin-based Qunomedical in 2016 and has since raised nearly \$15 million in funding. Its software has matched more than 120,000 patients with doctors in 25 countries based on treatment needs, budget and mobility.



AUSTRALIA

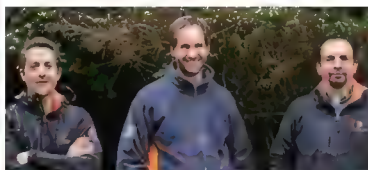
Carol Schwartz, a niece of Aussie billionaire John Gandel, focuses on bringing women into venture capital—as both check writers and recipients. Since she cofounded Scale Investors in 2013, the female-led accelerator out of Melbourne has put more than \$20 million into 46 businesses.

BRAZIL

After stints at Ambev, Whirlpool and XP, Pethra Ferraz joined São Paulo-based digital banking platform Mercado Pago in 2022 and repositioned it as the official bank of online marketplace Mercado Livre. By year end, its user numbers had jumped 27% to 64.8 million.



CHILE



Chucaotec, founded by three entrepreneurs in southern Chile in 2018, is using nanobubble technology (bubbles 2,500 times smaller than a grain of salt) to increase oxygen on the sea floor and boost the sustainability of salmon farming. Sales have skyrocketed 670% since 2020.

ECUADOR

"I always watch with curiosity, with a question mark, the efforts of billionaires to conquer space, a kind of race to nothing."

—Roberto Troya, a native Ecuadorian and regional director at the World Wildlife Fund, leading the NGO's conservation policy for 17 countries across Latin America, the Caribbean, Asia and Africa.



FRANCE



This year's 40 Femmes highlights Maud Bailly, CEO of Sofitel, McGallery and Emblems hotels, which operate 240 properties in 58 nations. The annual list recognizes women who have had notable years in politics, media, science, sports and more.

GUATEMALA

The president of Guatemala's chapter of Global Network of Indigenous Entrepreneurs, Maria Tuyuc is an advocate for indigenous communities around the world. She has supported entrepreneurs who have launched some 800 companies in sectors including agriculture and tourism.



GUINEA-BISSAU

Forbes Africa Lusofona interviews Mariama Injai, a 36-year-old Portuguese-Guinean who runs a website selling goods and services from 100 (and growing) Black-owned businesses. Many Afro-descendant entrepreneurs do not have websites, she says, and "deserve to be seen."

MEXICO

Forbes Mexico highlights the nation's best corporate law firms and their opinions on the "nearshoring" trend that has companies relocating production there. White & Case partner Rebeca García López (third from left) emphasizes how the infrastructure and financial sectors could benefit most.



PORTUGAL



Forbes Portugal interviews Brazilian soccer star Neymar and his father, who helped the 31-year-old striker negotiate his recent transfer to Saudi Arabian team Al-Hilal, which is coached by Portuguese Jorge Jesus. Counting salary, prizes and commercial agreements, Neymar is set to earn around \$350 million over two seasons.

UKRAINE

Forbes Ukraine spoke with 18 military personnel and volunteers to learn about the leadership style of armed forces commander in chief Valery Zaluzhny, a 30-year army veteran who oversees 700,000 soldiers. "Any private, sergeant, company member or combatant can send him an SMS and receive an answer within an hour," says one vet.



HUNGARY

In 2015, Gál Bence Szabó (right) founded supplements brand Gal Vitamins, which today does about \$10 million in annual revenue. Last year he and 72-year-old Hungarian supermodel Agi Pataki launched another line, Titek (meaning "secret"), focusing on wellness and beauty.

ITALY



Ferretti Group CEO Alberto Galassi reports smooth sailing at the Italian yacht-maker, which had record revenue of more than \$1 billion in 2022. The company—based in the northern city of Forlì and rescued by a Chinese ownership group a decade ago—IPOed in Hong Kong and in Milan in July.

POLAND

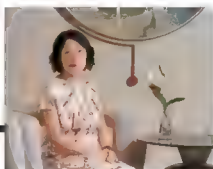


Milk producer Polmlek is expecting revenue to rise 30% in 2023, up from \$2.2 billion last year. Owners Andrzej Grabowski (left) and Jerzy Brucki, who have acquired 33 dairy farms across Poland and Morocco over 30 years, are now eyeing the rest of Africa as well.

SOUTH KOREA



Fashion entrepreneur Rieul Kim appears on *Forbes Korea's* 30 Under 30 list, thanks to the growing popularity of his Seoul-based brand, Rieul, which has designed suits worn by K-pop stars BTS and interiors for McLaren cars. All his styles incorporate traditional Korean patterns.



INDIA

ESG funds are losing their sheen in India: Not one new fund has launched since 2021, and assets in existing ones have dwindled. *Forbes India's* analysis blames lack of awareness despite regulatory measures and a spike in defense and energy stocks due to the war in Ukraine.

KAZAKHSTAN

Veronika Kim, a standup comedian from the northwestern city of Ural'sk, headlines *Forbes Kazakhstan's* 30 Under 30 package. At 28 years old, she has toured Europe and performed in New York City; more than 3 million people have watched her standup routine on YouTube.



NIGERIA



Nigeria's richest billionaire, Aliko Dangote, opened a mega-refinery in May outside the former capital, Lagos. *Forbes Afrique* reports the facility cost an estimated \$20 billion and will produce 650,000 barrels per day at full capacity.

ROMANIA



Ensana Hotels, a Prague-based chain that opened six months before the pandemic and operates three Romanian properties, spent more than \$10 million during Covid, mostly investing in renovations and treatment equipment. "The medical spa sector has a very bright future, largely due to the change in people's mindset," says CEO Frank Halmos.

SAUDI ARABIA

Tarek Hosni, CEO of Jamjoom Pharma, took the family-owned pharmaceutical giant public in June on the Saudi stock market. It was the exchange's largest IPO of 2023, following a six-month drought. "Raising money was not even 20% to 30% of our objective. The key was governance," he says.



ISRAEL



The Fintech 50 list features Michael Shaulov, the Israeli cofounder and CEO of New York-based blockchain unicorn Fireblocks, whose software helps companies securely monitor and trade digital assets. It raised money at an \$8 billion valuation in 2022.

PERU

Sinba, founded by three Peruvians, buys waste from recyclers and resells it to farms and packaging manufacturers. Sinba expects \$13 million in sales this year and aims to process more than 15 tons of organic and inorganic waste per day by the end of 2023.



SLOVAKIA



In preparation for an interview with Slovak film star Gabriela Marcinková, *Forbes Slovakia* asked ChatGPT to formulate three questions that journalists don't usually ask actresses but that readers might be interested in. "What are the biggest myths about actors?" was one of the queries. Her response: "That actresses get paid to take their clothes off in a movie."



Conversation

CLOUDMOUTH

Aggressive growth—really aggressive—is cloud security company Wiz's calling card, and our August/September cover star, Assaf Rappaport, its cofounder and CEO, is unapologetic. His sharp elbows get results: Wiz, which uses AI to help businesses protect vast amounts of cloud-stored data, boasts a \$10 billion valuation and has raised nearly \$1 billion in funding since it was founded in 2020, vaulting it to No. 15 on our annual Cloud 100 list, up 67 spots from last year. "What Wiz has done is truly amazing," posted Amit Karp of Bessemer Venture Partners (not a Wiz investor) on X, formerly Twitter. "No less impressive is that there are now 17 Israeli companies on the Cloud 100—up from only two Israeli companies that made the first Cloud 100 list." However, Wiz's alleged situational ethics—competitors accuse it of sins minor (badmouthing rivals) and major (patent infringement); the company denies it all—made some readers question whether everything is truly in order. "A \$10 billion valuation on \$200 million in sales. Something is not right," posted Ryan Strachan on X. "Is there capacity for \$10 billion in sales (at any point) and/or \$1 billion in profit? Paying a hefty price for an unpredictable future."

THE INTEREST GRAPH

412,866 50 Over 50 2023

361,847 The Cloud 100 2023

240,043 Desperately Faking Riches: Inside a Hong Kong Businessman's Outlandish Efforts to Get on the Forbes Billionaires List

128,310 Next Billion-Dollar Startups 2023

101,423 Nobody Beats Wiz: Meet the Hyperaggressive \$10 Billion Startup Shaking Up Cloud Security

89,574 The Texas Tycoon Making a New Fortune Selling Sand to Frackers

46,465 The Loony Conspiracy Theory Threatening Wall Street

5,130 **THE BOMB:** Tether's Billions Are Growing Fast, but Its Reported Profits Seem to Be Shrinking

SHE'S ALL THAT

Our annual 50 Over 50 celebration of women who are making the most of life's second half featured entrepreneurs, innovators and artists doing their best work in their sixth decade—and beyond.

@SRI_VARRE:

"I need us to talk about the Forbes 50 Over 50 list as much as we talk about the Forbes 30 Under 30."

@SEYEDSHAHABMEHDINIA:

"Jamie Lee Curtis' remarkable career and achievements inspire us all to embrace creativity at any stage of life."

@ANNIEHORTH:

"Breath of fresh air—JLC is so frank and simple. Happy for her."

@SHEISFORTE:

"Love Ms. Patti LaBelle. Not only is she a legend, but an incredible inspiration! One of the most genuine souls you will ever meet."

@LIFECOACHANAMIKA:

"Age is just a number, and this list proves that success and innovation know no boundaries. Hats off to all the trailblazers on the Forbes 50 Over 50!"

@LVXXVIII:

"It's amazing to see these women shattering age barriers and showcasing that success is not limited by age. Take your time and embrace every moment to achieve your own successes."



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DARE TO DO DIFFERENTLY

CONTRARIAN

FORBESLIFE

By Chris Helman

Photograph by Guerin Black for Forbes

The Pappy Principle

William Goldring's SAZERAC COMPANY produces some of the world's most collectible spirits, including Pappy Van Winkle, W.L. Weller and George T. Stagg. But it's the bottom shelf that made him rich. Fireball, anyone?

A

At the top of the hill behind the Buffalo Trace distillery in Frankfort, Kentucky, overlooking what used to be a farmstead, sit 18 seven-story buildings clad in red metal siding. These rickhouses are each filled with some 58,000 wooden barrels, which will yield roughly 18 million bottles of whiskey. And not just any whiskey, but some of the most coveted and expensive bourbon in the world, including Pappy Van Winkle, which, theoretically, costs around \$300 a bottle, W.L. Weller (\$50) and George T. Stagg (\$100)—but good luck finding them at those prices in your local liquor store. Their cost can go up as much as twentyfold on the secondary market.

All told, the Sazerac Company boasts 3 million barrels of inventory, which will retail for more than \$9 billion once it all comes of age. “My father said, ‘Never go into the bourbon business, because one day you’re going to wake up and have a lake full of bourbon,’” laughs the 80-year-old chairman of Sazerac, William Goldring, who debuts on this year’s Forbes 400 with a net worth of \$6 billion. “Now we have many lakes.”

Goldring isn’t terribly concerned about selling those lakes. Sazerac markets more than 30 whiskeys, balancing sales of super-premium brands

Barrels of Success

Pappy Van Winkle is among the world’s most valuable whiskey—selling for more than 20 times its retail price on the secondary market—while Fireball accounts for 45% of the flavored whiskey market.



with vastly greater volumes of cheaper stuff like Fireball. From almost nothing 15 years ago, Fireball—which is made with younger, cheaper Canadian whisky and tastes like cinnamon Red Hots candies—has exploded in popularity to sell 7.8 million nine-liter cases last year, according to Impact Databank (closing in on Jim Beam’s 11.5 million). All told, Sazerac has rolled up 500 spirits brands and a dozen distilleries in the U.S., Canada, France, Ireland and India. Its share of the U.S. spirits market, at 14% of volume, is second only to Diageo’s. Revenue at the privately held company last year was an estimated \$3 billion. “It’s hard to ignore Sazerac,” says Trevor Stirling, a spirits analyst at Bernstein. “They have been impressive share gainers, fueled by Fireball, which is a category killer and still growing.”

Much of the success Goldring has had with Sazerac comes from knowing when to follow his father’s wisdom and when to ignore it. After Prohibition, Stephen Goldring (who died in 1996) started Magnolia Marketing, a liquor wholesaler. To fill holes in his lineup he acquired the Sazerac Company, which made esoteric spirits like Peychaud’s bitters and later Taaka vodka. Young Bill took over both companies in the late 1960s but focused on growing the wholesaler (renamed Republic National Distributing) across 38 states. By the time he sold his stake to joint venture partners in 2010, revenue was an estimated \$4.5 billion. “If you’re a distributor, you don’t really own anything,” Goldring says. “I’d rather make the stuff.”

The Vault

WET WORK



“Prohibition is over,” *Forbes* declared in 1933. “The troubles of the liquor industry are not.” State laws were “a jumble,” we wrote, bootlegging and counterfeiting “raise sinister heads” and “no one knows what demand will be.” Still, the race was on to bring booze back.

The United States is a beehive of preparation. Sales of plumbing supplies, bottling machinery, labels, bottles, cartons, filters, tanks, grain cookers, sloop-driers and other supplies and equipment have taken an upward slant. Liquor trade journals are crammed with advertising; new ones have been started overnight; and week-old copies are almost impossible to obtain. . . . A myriad of new devices and novelties for drinkers are bringing welcome cash into retail tills. Cocktail and wine glasses—a different glass for every

type of drink. Bars with radios. Revolving bars. Automatic cocktail shakers. Novel recipe devices. And so on and on. —*Forbes*, December 1, 1933

Which is why, via Sazerac, Goldring had been gradually buying others' spirits brands. The George T. Stag distillery in Frankfort came first, in 1991. Goldring knew he could sell its 32,000 barrels of aged whiskey. But the distillery (re-named Buffalo Trace) was a mess—"like New Orleans after Katrina," he says. Production had peaked in 1973 at 200,000 barrels, then fell to 12,000 as bourbon demand evaporated. Goldring couldn't resist the history: The oldest continually operating distillery (since 1773), Stag made "medicinal" whiskey during Prohibition. "You can't plant cut flowers," he says. "You need roots in authenticity."

He acquired other venerable bourbons to get access to their fully aged inventory, like W.L. Weller in 1999. Then, in 2002, Sazerac cut a deal with the family of legendary distiller Julian "Pappy" Van Winkle Jr. to bring his wheated bourbon recipe back to life at Buffalo Trace. The cult of Pappy collectors has been growing ever since. A bottle of 23-year-old Pappy Van Winkle sells on the secondary market for more than \$5,000.

Unlike, say, vodka, which can be distilled in the morning, bottled in the afternoon and shipped the next day, producing quality whiskey can take decades. "We're making Pappy Van Winkle today for 2046," says Sazerac chairman Mark Brown, 66, who has been running the company since the 1990s.

Sazerac's transformation began in 2009 when it acquired 40 down-market brands for \$330 million from Constellation Brands. Suddenly, Sazerac was competing with Goldring's own wholesale suppliers; the perceived conflict led the Goldrings to sell their family stake in Republic National Distributing in 2010 for what *Forbes* estimates was \$400 million. Goldring flowed cash to a string of deals. In 2016, for \$540 million, Sazerac bought brands from rival Brown-Forman, including Southern Comfort. In 2018, for another \$550 million, Diageo sold Sazerac Seagrams VO, Myers's Rum and the gimmicky Goldschläger, which contains flakes of real gold. Insatiable, Sazerac in 2021 picked up Paul Masson brandy from Constellation for \$265 million, and last year added the Lough Gill distillery in Ireland for a reported \$70 million.

Sazerac currently carries \$2 billion in debt, according to FactSet, and generates about \$600 million a year in operating profit, per *Forbes* estimates. All told, Goldring splits an estimated fortune of \$6 billion with his wife and three children, and family trusts control 100% of the company.



HOW TO PLAY IT

By John Dabosz

While Sazerac stocks its bar with high-growth liquor lines, Constellation Brands is gulping up market share in the U.S. beer business. Modelo Especial recently became the best-selling beer in the U.S., overtaking Bud Light as the Anheuser-Busch brand suffers the fallout of a major marketing misstep in April. Constellation derives 80% of sales from its exclusive U.S. distribution rights to Mexican imports, mainly Modelo and Corona. Sales this year are expected to grow 6.6% to \$10.1 billion, with earnings up 9.9% to \$11.70 per share. Billionaire-run hedge funds have shown a powerful thirst for Constellation. Israel Englander's Millennium Management and activist investor Paul Singer's Elliott Investment Management are owners. John Dabosz is editor of the *Forbes Billionaire Investor* newsletter.

For all the fancy bourbons, no brand exemplifies Goldring's top-to-bottom-shelf philosophy better than Fireball, which Sazerac bought from Seagrams in 2000, relaunched in 2007 with a red demon on the label and sells for less than \$20 a bottle. Never mind that aficionados turn up their noses at Fireball—the cinnamon spirit boasts a 45% market share among flavored whiskeys and scored \$1.8 billion in retail sales last year. "It's a bit of a unicorn," says analyst Vivien Azer at Cowen & Co. "They have so much scale and leverage already, it helped them organically grow Fireball."

A value investor, Goldring has parted with only one brand—in 2009 trading Effen vodka to the makers of Jim Beam in exchange for Old Taylor, which was rebranded as premium whiskey E.H. Taylor four years later and named for one of the founding fathers of the bourbon industry. These cult bourbons are not the biggest moneymakers for Sazerac, however, simply because they are produced in such small batches—to support a limited market of spirits that cost hundreds of dollars. Sales are tightly allocated by state.

But they do exert a big halo effect—thus Goldring's willingness to invest \$1.2 billion the past five years to double Buffalo Trace output to 550,000 barrels a year. Vertically integrated Sazerac even makes its own white oak barrels and plants new seedlings. The good news for bourbon lovers: In a few years there will be considerably more 12-year-old Weller, Stag and Eagle Rare to go around.

Increasingly, however, the most expensive bourbon will be destined for new markets, notably India, which drinks half the world's whiskey, having been introduced to it by the British. In 2017, Sazerac acquired a controlling stake in the maker of Bengaluru-based Paul John Single Malt and Original Choice whiskies (reportedly for more than \$50 million) and plans to grow volume tenfold. It already produces Fireball in India.

While he oversees one of the world's biggest spirits companies, Goldring prefers to remain under the radar in New Orleans. You might find him at Sazerac House, a museum and bar dedicated to the eponymous spirit and cocktail popularized more than 150 years ago. And what if, as his father warned, tastes change? Goldring shrugs and smiles. "If people stop drinking bourbon," he says, "we're up a creek." 🍷

FINAL THOUGHT

"AS A CURE FOR WORRYING, WORK IS BETTER THAN WHISKEY."

—Thomas Edison



Dr. Richard A. Berger

Orthopedic Surgeon,
Assistant Professor,

Rush University Medical Center



Dr. Richard A. Berger

Dr. Richard Berger's Pioneering Orthopedic Procedures Keep A St. Jude Runner On Course

By Charles Buchanan

Scott Elger felt a sense of pride entering the final leg of the 2022 St. Jude Run from Memphis to Peoria, Illinois. He was about to complete a four-day, round-the-clock relay spanning 465 miles across three states—for the 32nd time. Pounding the pavement year after year, Elger and his teammates had helped raise millions of dollars to provide free lifesaving treatments for children with cancer and other diseases.

This time, however, the 61-year-old wealth-management advisor couldn't ignore the gnawing pain in his knees as he crossed the Illinois River into his hometown.

Building for a decade, that pain now had become debilitating. Cortisone injections no longer offered relief like they had in the past. Elger was headed for a double knee replacement, and local orthopedic specialists had given him grim assessments: His running days would be done after surgery. With the finish line in sight, Elger sensed that his extraordinary running streak—and the joy he got from the cause, the challenge, and the camaraderie—was approaching an abrupt end.

Determined not to disappoint the kids and families at St. Jude, Elger sought a different opinion and reached out to the office of Dr. Richard Berger, based at Midwest Orthopaedics at Rush in Chicago. Dr. Berger, a world-renowned expert in knee and hip replacement who uses minimally invasive techniques that allow patients to get back on their feet in no time, had better news. After examining Elger and hearing about his passion for running, Dr. Berger “told me that of course I would run again,” Elger recalls. “He had no doubt whatsoever.”

Thousands of people from all walks of life have sought Dr. Berger's expertise because he combines a surgeon's deft touch with an engineer's eye for detail.



“I didn't need a cane or walker. From that point I felt I could do anything.”

Scott Elger
Wealth Management Advisor

Before attending medical school, Dr. Berger earned a mechanical engineering degree from MIT, which inspired him to develop one-of-a-kind implants and surgical tools that he has utilized in his procedures. These prosthetics and tools, aligned with Dr. Berger's pioneering surgical approach, deliver a unique experience to patients from start to finish.

With an incision of just a few inches, Dr. Berger can replace a damaged knee joint without cutting the surrounding soft tissues, tendons, ligaments or muscles. Carefully preserving those structures minimizes the buildup of scar tissue that can complicate healing, and it is essential for the accurate placement of new implants. "Your muscles, tendons and ligaments aren't there just to strap down the bone," Dr. Berger explains. "Instead, they physically form the bone of the knee as our bodies develop. I look at the muscles, tendons and ligaments to determine the natural location of the healthy knee before arthritis, which is where I place the implants."

For patients, Dr. Berger's advanced, precise approach



appreciated Dr. Berger's willingness to take time to listen to his questions and thoroughly explain the answers. He also benefited from the Berger Elective Surgery + Telemedicine (BEST) Experience, which enabled him to

Thousands of people from all walks of life have sought Dr. Berger's expertise because he combines a surgeon's deft touch with an engineer's eye for detail.

to knee and hip replacement means a quicker, more complete recovery with less pain compared to traditional surgery. In fact, most patients are back home within hours, return to work within a week, and resume most other activities, including their favorite sports, within a few weeks. Elger, whose knees were "bone on bone, with no cushion left," according to Dr. Berger, was able to walk out of the hospital following both knee-replacement surgeries.

"I didn't need a cane or walker," Elger recalls. "From that point I felt I could do anything"—including the 2023 St. Jude Run, though he didn't have much time to train. He went home from his second knee-replacement procedure with only four months to go until the relay's summer start. Fortunately, Dr. Berger had prepared a recovery plan to help Elger meet his goal. Postsurgical care includes a suite of in-home and outpatient physical therapy tailored to each patient with a focus on regaining mobility and strength after years of living with arthritis. Elger says he worked hard to run again with confidence, taking inspiration from the kids at St. Jude who confront life-threatening challenges with positive attitudes. He also was buoyed by Dr. Berger's unwavering optimism and encouragement.

In tandem with therapy, Elger received daily text messages from a member of Dr. Berger's staff who asked how he was feeling, how his recovery was progressing, and how she could help. That constant communication is one of many personal touches that make treatment from Dr. Berger a "five-star experience," Elger says. "Not only has he perfected his procedures, but he has perfected his practice," with his team equipped to accommodate individual patient needs and preferences. Elger particularly

complete some consultations virtually and avoid driving the 150 miles between Peoria and Chicago. "We offer patients a choice of care that makes them feel the most comfortable," Dr. Berger says. "Patients have to come to Chicago for surgery, but we can do everything else through telemedicine. We can arrange X-rays and testing wherever they live." Some patients, especially those residing in other states or countries, prefer virtual visits while others choose to meet face to face. Still others select a hybrid approach, Dr. Berger explains. "You pick what you want, and if you don't like it, then we can do something different."

On August 1, surrounded by a cheering crowd, Elger and his teammates stepped toward the starting line of the 2023 Run at St. Jude Children's Research Hospital in Memphis. He already felt victorious. Thanks to Dr. Berger's expert care, he was ready and eager to kick off his 33rd year in the relay, which ultimately raised more than \$1.3 million for the kids and their care. "I have seen people age out of the race due to knee replacements, and I assumed that was my future as well," Elger says. Now he is anticipating next year's run—and several runs after that. "It's something I want to do for as long as I can," he says. "This relay has changed my life."



For more information, scan or call 312-432-2557.

By Chase Peterson-Withorn

Photograph by Ethan Pines for Forbes

Soy Sauce Scientist

Peggy Cherng built **PANDA EXPRESS** into the McDonald's of Chinese food by using her engineering background and big data to exponentially spice up sales—making her a multibillionaire along the way.

T

The sweltering heat of July in Los Angeles isn't slowing Peggy Cherng down. The 75-year-old billionaire cofounder of Panda Express is strolling between the sleek research buildings and Japanese Zen gardens that frame the 100-acre City of Hope hospital campus, where she's funding a \$100 million program for blending Eastern and Western medicine practices. "It's all about how we can bring the best we have as Asian-Americans to the West," she says.

Cherng should know. She emigrated from Hong Kong in the 1960s, got a doctorate in electrical engineering in the 1970s, then promptly quit a promising career developing software to use her STEM skills in an altogether different industry: fast food, creating the perfect mix of Chinese cuisine for American palates.

Four decades later, what began as a single restaurant in a Southern California shopping mall has grown into a 2,400-store juggernaut, dishing out more than \$5 billion worth of chow mein, Beijing beef and orange chicken every year in food courts, airport terminals and drive-thru windows across the nation.

Most Americans grab their Chinese food from one of two places: the mom-



Extra-Early AI

For her 1974 doctoral thesis, Cherng developed a computer program that used an algorithm to scan digitized chest X-rays for signs of congenital heart disease. "This type of technology was called pattern recognition," she says. "It's now known as artificial intelligence."

and-pop joint around the corner—or Panda Express, which has eaten up 43% of the Asian takeout market and has ten times as many locations as its closest competitors, sit-down chain P.F. Chang's and hibachi grill Saku Japan.

But Panda Express' secret sauce isn't the sweet-and-sour; it's Cherng's technical prowess and methodical mind. "A lot of people in the restaurant business aren't educated as engineers," she says. "I have an advantage."

Cherng thinks in structures and systems: how best to organize data, how to devise a menu that will scale, how to train a new hire most efficiently. It has proven invaluable. Not only did she customize the sales and analytics software that propelled Panda Express' growth, but she has brought an engineer's discipline to standardizing its far-reaching operations and implemented a rigorous management curriculum to train Panda's 50,000 employees to think systematically, too.

Panda Express has made Cherng wealthy. Worth an estimated \$3.1 billion, she is one of just 12 self-made women—and one of two self-made Asia-born women—on The Forbes 400. Her husband, cofounder and co-CEO Andrew Cherng, 76, is worth an additional \$3.1 billion. The two own 100% of the private Rosemead, California-based company but are committed to sharing the riches. Nearly half of Panda's full-time general managers made more than \$100,000 last year, the company says, with one earning \$277,000.

Peggy was born in Burma in 1947 but spent much of her childhood in Zhangzhou and Hong Kong. A math whiz, she landed in the U.S. at

Déjà View

OLD-SCHOOL EATS



According to IBISWorld, American fast-food joints sold \$362 billion worth of grub last year, up 40% from a decade ago. But catering to the masses has been a great way to make a few bucks, shillings or denarii for centuries. Here are four snapshots of takeout across the ages.

A.D. 79

Working-class Romans on the go grab quick bites at local thermopolia, the equivalent of ancient Burger Kings that served hot meals of meats and cheeses across the empire. So far 89 outposts have been uncovered in Pompeii.

1300

Almost no one had a kitchen in medieval Colchester, England. Instead, artisans, laborers and peasants munch on pigeon pies, barley pancakes and almond pastries prepared by street vendors.

1902

Two Philadelphia-ians open the first "automat" (automatic restaurant), where factory workers can slip a nickel (equal to \$1.80 today) into a glass case and walk away with lemon meringue pie, mac and cheese or creamed spinach.

1921







White Castle, America's first burger chain, opens in Wichita, Kansas, pumping out easy-to-eat sliders with assembly-line efficiency—at a cost of five cents each, around 80 cents in today's money.

Baker University, a tiny school in small-town Kansas, where the few Asian students gravitated to one another. There she met Andrew, and the two stuck together even as she transferred to Oregon State on a scholarship and he eventually moved to L.A. to help his cousin manage a Chinese restaurant. Peggy, dreaming of becoming an inventor, got a master's in computer science and then, in 1974, a Ph.D. in electrical engineering from the University of Missouri.

Instead of becoming a professor or an inventor, she went to work for McDonnell Douglas, doing system design and helping develop battlefield simulators for the Navy. A gig working on early facial and voice recognition projects at Pasadena-based Comtal, later acquired by 3M, followed. Nights and weekends, she would hostess at Panda Inn, the small Pasadena restaurant Andrew opened in 1973 with his father, using

FAST CASH

AMONG AMERICA'S 50 LARGEST QUICK-SERVICE CHAINS, THESE FIVE RAKE IN THE MOST MONEY PER STORE EACH YEAR. PANDA EXPRESS RANKS 12TH.

FRANCHISE	REVENUE PER STORE (NO. OF U.S. LOCATIONS)	AVERAGE SPENT PER TRANSACTION	SIGNATURE COMBO (COST)	FIRST STORE
 Chick-fil-A	\$6.7 mil (2,800)	\$9.00	Chicken sandwich meal (\$8.85)	Atlanta, GA
 Raising Cane's	\$5.4 mil (650)	N/A	The Box Combo (\$10.79)	Baton Rouge, LA
 Shake Shack	\$3.8 mil (300)	\$22.02	ShackBurger meal (\$13.57)	New York, NY
 Whataburger	\$3.7 mil (900)	\$9.48	Whataburger Whatameal (\$8.39)	Corpus Christi, TX
 McDonald's	\$3.6 mil (13,400)	\$6.32	Big Mac meal (\$8.69)	San Bernardino, CA
 Panda Express	\$2.4 mil (2,400)	\$20.66	Orange chicken bowl (\$7.90)	Glendale, CA

\$60,000 from friends, family and an SBA loan.

The turning point was New Year's Eve 1982. The next day, UCLA played Michigan in the Rose Bowl, and ahead of the big game the family of legendary Bruins football coach Terry Donahue stopped in for dinner. "We just loved it," recalls Terry's brother, Pat Donahue. The family was building a mall in nearby Glendale and suggested the Cherngs open a restaurant there. Peggy was ready. Tired of trying to raise three daughters while working full-time as an engineer, she had quit her job. The Cherngs took a leap, opening the first Panda Express later that year, offering Panda Inn dishes in a speedy counter-service format. Lines stretched out the door.

"They had a great restaurant," Donahue says. "We didn't know they also had a world-class model for the McDonald's of Chinese food."

The Cherngs moved at Ray Kroc speed, surfing the 1980s mall wave by opening locations in new shopping centers around the country, no matter how far it stretched their supply chain. This is not how an MBA would do it. "The Harvard Business School approach would be to see if you could go from one region to another—not build stores everywhere," says Sean Dunlop, an equity analyst at Morningstar.

But the Cherngs used the Ph.D. approach. Computerized cash registers (known as point-of-sale systems) were just catching on at the big chains, but the Cherngs had been using them at Panda Inn since 1975. Not long after IBM introduced the first digital POS system, Peggy set one up herself, enabling the Cherngs to track daily sales and analyze things like whether beef was outselling pork at a time when few independent restaurateurs understood the technology, let alone saw the need for it.

When managers struggled to work a computer, she coached them. When some of the chain's chefs were cooking chow mein with a light sauce while others insisted on a dark one, she corralled them all into a conference room at Panda Express' headquarters and had them fight it out until they agreed on a single recipe for every dish.

By 1991, Panda Express had grown to 18 stores. But being a food court staple was already losing its luster. "It's a captive market—but you're not able to build your own brand," Cherng says. "People just see you as the Chinese place."

The Cherngs took their mall profits and branched out into building freestanding stores of their own. Today, mall locations account for just 156 of their 2,400 U.S. restaurants and 5% of total sales.



HOW TO PLAY IT

By Jon D. Markman

Transformative digital processes are changing the way businesses operate; they are the investment theme of this generation. If you don't have an engineering Ph.D. for a founder like Panda Express does, a smart way to play the trend is **Accenture**, a massive, underappreciated, Ireland-based global consulting firm. It employs 732,000 people to help 9,000 clients improve growth and productivity via better data analytics, supply chain processes, operational software and C-suite strategies. Shares rose 1,500% from 2009 to 2022, then pulled back sharply. Shares are cheap enough to rally to \$400 in the next 18 months, a gain of 27% from current levels.

Jon D. Markman is president of Markman Capital Insight and editor of *Fast Forward Investing*.

They self-funded along the way, refusing the outside financing that has most of the major chains answering to public shareholders or private equity overlords. They have also resisted franchising their stores, which helped giants like Subway and Dunkin' Donuts balloon in size. That has meant passing up guaranteed royalties of at least 4% of sales—more than \$200 million in nearly risk- and expense-free annual revenue—instead betting on their ability to operate their restaurants. "We can run them better," Andrew Cherng says flatly. Only 165, or about 7%, of Panda's U.S. locations are franchises, nearly all of them in airports, universities and military bases, where the Cherngs are barred by various rules from owning them themselves.

It's a lucrative strategy, as long as enough customers show up. And they do. Panda Express generated nearly \$2.4 million in revenue per store last year, ranking 12th out of the top 50 U.S. restaurant chains (see *"Fast Cash,"* page 49). Over the past decade, Panda has added 800 new stores, pushing sales beyond \$5 billion, up from \$2.2 billion in 2014. The goal is to continue to open around 100 new restaurants a year in America, doubling revenue to \$10 billion by 2028.

"Panda Express is a big outlier" in Asian fast food, says Kevin Schimpf, director of industry research for food service consulting firm Technomic. "They're the only true national player."

There is, of course, a limit to the number of Panda Expresses America can support. That has led the Cherngs to open 105 overseas stores, where they've yielded some control, turning to franchising where supply chains and local markets are too tough to navigate without a native operator. They've even begun running franchises for other chains in pursuit of growth. "That's unique," says Joshua Long, who covers restaurants for investment bank Stephens. "But it's pretty smart. It helps you uncover different ways to grow." Their Panda Restaurant Group parent company operates 12 Uncle Tetsu restaurants in California as the Japanese cheesecake company's sole U.S. franchise, and the Cherngs run all 13 of Raising Cane's fried chicken joints in Alaska, Hawaii and Guam.

"The opportunity is still big," Cherng says. "We plan to have more growth in the next 50 years than we did in the past 50." ■

FINAL THOUGHT

"AN IMPORTANT FUNCTION OF ALMOST EVERY SYSTEM IS TO ENSURE ITS OWN PERPETUATION."

—Donella H. Meadows

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Bond Ballers

Morocco-born vulture investor **MARC LASRY** and his sister **SONIA GARDNER** have made their investors billions buying debt and other troubled interest-bearing obligations, such as tax liens. Now they've set their sights on sports, looking for value in unexpected places like Major League Pickleball and the NBA's Africa league.



Twenty Formula 1 engines rev in synchrony as they ready for a practice run through the streets of downtown Singapore for

September's annual Grand Prix at Marina Bay Street Circuit. Marc Lasry, billionaire cofounder and CEO of \$12.5 billion private equity firm Avenue Capital Group, is taking a break from a party upstairs at the Paddock Club to visit the garage of the Mercedes-AMG Petronas team.

"We've been looking at some F1 teams to invest in, [so] I wanted to come out here to meet and talk to a number of people," Lasry says, straining to be

Divine Profit

Avenue CEO Marc Lasry takes such pride in his Bucks' 2021 NBA championship—which led to a windfall when he sold the franchise—that he has a painting in his foyer of the team donning togas around the trophy, with Lasry dressed as God.

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Bond Ballers Cont.

heard above the squeal of pneumatic wheel guns, as F1 star Lewis Hamilton climbs into his car. Lasry won't say which team he's eyeing, but given his deep-discount approach to investing, it's not likely to be a podium favorite like Mercedes.

In April, Lasry sold his 25% interest in the NBA's Milwaukee Bucks at a \$3.5 billion valuation—a sixfold profit after nine seasons, including the Bucks' first NBA championship in 50 years in 2021. The transaction boosted Lasry's net worth to \$2.1 billion, an impressive 17% jump from a year ago, but still \$800 million short of this year's cutoff for inclusion on The Forbes 400. When he bought the franchise in 2014 with another private equity billionaire, Wes Edens (net worth \$3.9 billion), the Bucks were wrapping up a season as the NBA's worst team.

Lasry, 63, and his 61-year-old sister Sonia Gardner are distressed-asset investors, and for most of the last 35 years, bonds and other forms of debt have been their specialty. After the 2008 crisis, for example, Avenue made a \$400 million windfall investing in the bank debt of Ford Motor Company, which had fallen below 40 cents on the dollar over concerns that it would collapse. Ford ultimately paid in full: 100 cents on the dollar.

Says Lasry from his waterfront Connecticut mansion, "If you stay calm and buy when everybody is panicking, over time, you will end up doing well."

Since inception, debt-focused Avenue has afforded investors in its various funds returns ranging from 10% to 19%, net of fees. Moreover, Avenue's pledge is that its managers won't start pocketing carried interest until its limited partners have achieved an 8% return.

Right now, Lasry is finding opportunities because the Federal Reserve's rapid rate hikes have put a strain on many small banks, prompting them to pull back from lending. "By not [guaranteeing deposits] you're hastening the demise of smaller banks. They can't grow," Lasry says. "Best case, all they're doing is telling everybody, 'Don't worry, we're fine'—and the minute you're explaining why everything's okay, it's not."

Avenue is happily filling the void, lending privately at rates as high as 15% currently. Property tax liens have been another fertile area for Lasry; he has been buying them in bulk. When homeowners are late to pay their property taxes, municipalities often sell tax lien portfolios to investors like Avenue. The town passes off the headache of debt collection, and Avenue gets to collect the interest payments, which can be anywhere between 9% and 18%. Tax liens are senior



HOW TO PLAY IT

By Martin Fridson

Investors can get a piece of the distressed-debt action by buying Pioneer High Income Trust, a closed-end fund that focuses on lower-rated corporate bonds, loans and convertibles. PHT is aggressive within the high-yield space, holding a lot of single-B and triple-C issues including Viking Cruises and Tenet Healthcare. PHT's investment strategy and use of leverage has positioned it especially well to profit from the rebound in distressed debt coming out of recessions. In 2009, after the Great Recession, the fund posted a 104% total return; after the March 2020 recession PHT delivered a 62% 12-month total return. The fund currently yields 9.47% and is trading 10% below its net asset value.

Martin Fridson is editor of *Forbes/Pridson Income Securities Investor* and CIO of *Lehmann, Livian, Fridson Advisors LLC*.

to home mortgage debt. Thus, if the house ends up in foreclosure, Avenue gets paid before the mortgage holder.

"There's zero risk of loss," Lasry says. "A house that's worth a million dollars would have to be worth less than \$15,000, because the tax lien is 1.5%, which is impossible."

Born in Morocco, Lasry immigrated to the United States with his parents in 1966, when he was 7. His mother, who taught French at the school he and his two younger sisters attended, made Lasry learn English by reading the Funk & Wagnalls encyclopedia. His father was a computer programmer for the state of Connecticut.

Marc and Sonia both attended Clark University in Worcester, Massachusetts, from which Marc graduated in 1981 with a B.A. in history. Before attending New York Law School, he worked as a UPS truck driver and briefly considered ditching his academic plans due to the high wages and good benefits.

After clerking for New York bankruptcy judge Edward Ryan, Lasry landed at bond brokerage Cowen & Company in 1987, managing \$50 million in partners' capital. Not wanting to hire a future competitor, Lasry recruited his sister to join the firm. Says Gardner, now president of Avenue, "As a brother and sister, we have 100% trust in each other."

In 1989, Lasry and Gardner, then 30 and 27, respectively, left Cowen to manage money for one of its biggest clients: Robert M. Bass, the legendary Texas billionaire (current net worth \$5.3 billion). Under the tutelage of David Bonderman, the siblings invested mostly in bank debt, senior bonds and trade claims through a fund called Amroc, a play on *Maroc*, the French word for Morocco.

"Marc is willing to be aggressive when he thinks something is right, and he doesn't let a small fact get away," says Bonderman, who went on to co-found private equity giant Texas Pacific Group and is now worth \$5.8 billion. "If somebody needs to say no, it's Sonia. Marc doesn't like to say no to people."

In 1995, attracted by bigger deals in the burgeoning private equity business, Gardner and Lasry started Avenue with \$7 million in capital.

"Marc has always been focused on investments and the investors. I focus on managing the business day to day," Gardner says. The formula has worked well. By 2008 Avenue's assets swelled to \$20 billion.

During the financial crisis, Avenue was down 30%, but thanks to smart investments in Ford and the fire-sale bonds of AIG, its assets rebounded 80% in 2009 and 30% in 2010. Then Lasry decided to return \$9 billion to his investors, cutting Avenue's assets to roughly \$12 billion.



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Bond Ballers Cont.

"You had no more distress, so we thought—totally wrongly—we'll return capital and the next [down] cycle will be in two or three years and it'll be great," Lasry says. "The next cycle was like 12 years later."

Since the start of the pandemic, Lasry and Gardner have been finding a smorgasbord of discounted assets. Avenue spent \$110 million buying 100% of the debt of an Indian toll road operator that is building a highway through the western coastal state of Gujarat. During Covid, there were fewer drivers on the road and the operator struggled, so Avenue restructured and took control of it. It's now generating a 10% to 15% return, and if people drive more, Lasry says that figure will rise to 20%.

More than half of Avenue's assets today are in its non-U.S. funds—its sixth Asia fund has generated a 11.5% annual return since April 2020, net of fees, and it's currently raising a seventh. It also has \$4 billion in its Europe funds.

Sports could be another big winner for Avenue investors. True to form, Lasry's new \$2 billion Avenue Sports Fund is taking a value investor's approach rather than only buying expensive chunks of teams in the NBA or MLB. It has already recruited an "Athletes Council" that includes NFL Hall of Famer and *Good Morning America* cohost Michael Strahan; skier Lindsey Vonn and soccer star Lauren Holiday (both Olympic gold medalists); and former WNBA star Candace Parker. In return for a small slice of the fund, the athletes will help make connections and offer advice. Lasry hopes to capitalize on women's sports and budding global leagues, including the Basketball Africa League, which completed its first season in 2021 and which he thinks is ripe for exponential growth. He notes that teams can still be acquired for less than \$25 million on a continent with 1.5 billion people.



Unruffled Returns

"You really had to have nerves of steel to be investing during that period," says cofounder Sonia Gardner of Avenue's buying during the 2008 financial crisis.

"Marc has a unique connection to the continent," says NBA commissioner Adam Silver. "He's analogized what's happening in Africa to where the NBA was several decades ago, and I think that's right. He's clear-eyed about what it will take to build a successful league there, but he wants to be on the ground floor."

With its new fund, Avenue will compete in a crowded field of private equity sports investors. Arctos Partners, which has nearly \$7 billion in its funds, has several MLB, NBA and NHL teams in its portfolio, and Michael Rees' Dyal HomeCourt Partners has pieces of at least three NBA teams. Private credit specialist Ares Management raised a \$3.7 billion sports fund last September.

Lasry isn't worried about competition, believing his track record will give him an edge with potential partners. He notes that two years after launching Major League Pickleball's Milwaukee Mashers with former tennis star James Blake for a \$100,000 investment, the team is worth millions today.

"On the investment side, it's about what's the price," he says. "In sports, it's much more 'Do I want to be partners?' If we bid within 10% or 20% of wherever anybody else is bidding, we'll win." ■

On the Block

TRACK STAR



One of the most important Formula 1 cars ever to line up on the grid—Mario Andretti's 1978 John Player Special Lotus-Cosworth Type 79—is coming up for auction on November 25, ahead of the Abu Dhabi Grand Prix. The Lotus Type 79 featured the sport's transformational "ground effect" technology (which provides greater downforce), and Andretti drove "Black Beauty" (as it is known) to victory at the Dutch Grand Prix and later claimed the F1 world drivers' title in that year. "That car left quite a mark on the sport because of its performance," the 83-year-old Andretti tells *Forbes*. "And it looks great. It's the total package." Black Beauty has a presale estimate of \$6.5 to \$9.5 million, and Andretti has an idea of how to boost that price: "They should just get me down there to do some donuts," he says. "It would probably go up \$5 million."

FINAL THOUGHT

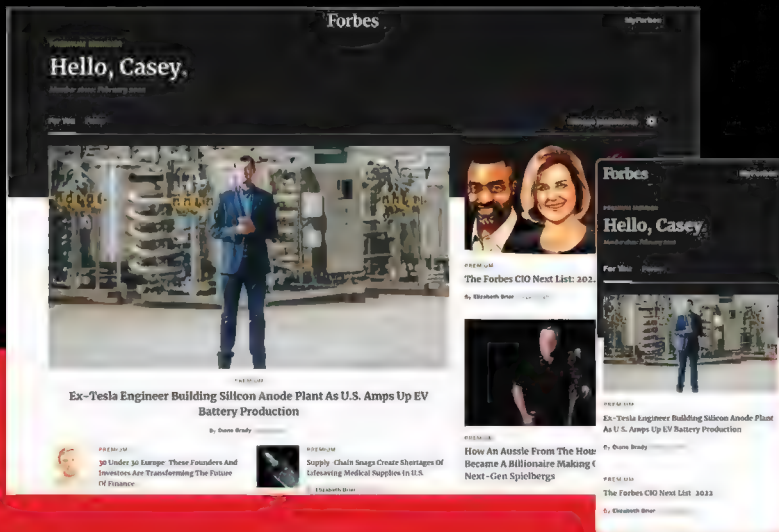
"WHILE SUPERIOR INVESTORS LIKE EVERYONE ELSE, DON'T KNOW EXACTLY WHAT THE FUTURE HOLDS, THEY DO HAVE AN ABOVE-AVERAGE UNDERSTANDING OF FUTURE TENDENCIES."

—Howard Marks

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By William Baldwin

Photograph by Mary Beth Koeth for Forbes

Winning at the Small Poker Table

Retail buyers have a poor grasp of closed-end investment companies. That creates opportunities for Florida money man **ERIK HERZFELD**.



A Cheap End Man

Erik Herzfeld at his Miami Beach office. "We're interested in cheap fun in cheap categories."

C



Classical economics: All actors are rational. Stocks are efficiently priced.

Behavioral economics, per Nobelist Richard Thaler: Investors' decisions are warped by emotion and ignorance. Prices can get out of line.

Count Erik M. Herzfeld, a money manager specializing in closed-end funds, in the Thaler camp. He aims to buy when fund shares trade at an irrationally low percentage of liquidating value and sell at a high percentage. Unlike mutual and exchange-traded funds, closed-ends don't do redemptions, and their prices are a matter of investor whim.

"Big discounts and big premiums. It's behavioral," Herzfeld says. "No one reads prospectuses." Or rather, he reads and retail investors don't.

Exuberant buyers have pushed the price of Gabelli Utility Trust to a 120% premium over the value of the stocks it owns. Evidently they're mesmerized by the five-cents-a-share monthly dividend, not understanding that, at an annual 20% of the fund's net asset value, the payout is not sustainable. Nor have they fully absorbed how each dividend dollar they joyfully pocket has cost them \$2.20, causing an instant \$1.20 loss.

Herzfeld's clients, who have entrusted \$750 million to his Miami Beach firm, do not own that Gabelli fund. They do own shares of Central Securities Corporation, a wallflower that trades at

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Winning at the Small Poker Table Cont.

a 19% discount to net assets. Exuberance for this fund died down soon after it opened its doors in 1929, a few weeks before the Great Crash.

If investors think Central Securities is a has-been, they are missing something. In 1982 the old fogies running it took a flyer on Plymouth Rock, a startup home and auto insurer, at \$25 a share. Plymouth is now on Central's balance sheet at \$9,500 a share, but an appraisal of this privately held company puts its value, before a discount for lack of marketability, at more than double that.

Use the higher value for Plymouth and you see Central trading at a 36% discount. This fund, too, makes nice distributions, but in a mirror image of what's going on at Gabelli, the payouts give rise to a windfall gain for fund holders.

How can cheap funds like Central coexist with absurdly overpriced ones like Gabelli Utility Trust? You'd think traders would arbitrage away the discrepancies. Herzfeld's explanation is that Wall Street's heavyweights find the closed-end universe, with but \$224 billion in assets, too small to accommodate their bets.

The hedge funds you have heard about stay in the big-stakes wing of the casino, Herzfeld says. Recollecting his gambling diversions while getting a degree in financial engineering at MIT, he goes on: "I feel I am sitting at the small poker table. There are ten seats. Seven are retail. Three are professional investors. We make money on the retail guys because they are not good players."

Herzfeld, 50, got a taste of Wall Street poker early in life. His father, Thomas J. Herzfeld, started tracking closed-ends half a century ago and opened Herzfeld Advisors in 1984. At 78, the elder Herzfeld remains chairman but pays more attention to his sailboat than to the share prices he once meticulously plotted with paper and pencil; the son is president and portfolio manager.

In 1990 Thaler and two other academics descended on the firm in quest of thousands of data points. In effect, they were trying to answer the question: Are closed-end investors crazy, or what? The resulting work, a seminal paper in behavioral economics, credits the teenage Erik for research assistance.

When Erik Herzfeld joined the family firm in 2007, after stints trading interest rate and foreign exchange derivatives at Lehman Brothers and JPMorgan, he vowed he could make money buying underpriced funds and shorting overpriced ones. His father, mindful of the adage that the market can stay irrational longer than you can stay solvent, decreed that Erik would be doing any short sales in his personal account.



HOW TO PLAY IT

By William Baldwin

Closed-ends are buys when their discounts, combined with payouts, are enough to make up for their expenses. Such bargains are extremely scarce. One of them:

BlackRock Science & Technology Term Trust, which trades at a 19% discount and dishes out a monthly distribution that comes to 9.2% of net assets annually. Multiply 19% by 9.2% and you see a 1.7% annual windfall. That more than makes up for the outlandish 1.3% expense ratio and the silly portfolio (tech stocks with covered calls written against them). A dividend cut would lessen the attraction, but not fatally, since the fund is planning to liquidate in 2031.

William Baldwin is Forbes' Investment Strategies columnist.

"Sure enough, I lost money," Herzfeld says.

The clients are doing better with a long-only strategy. The firm claims a 6.2% average annual return since 2000 on its blended stock and bond accounts, net of fees (1% for large accounts), edging out a benchmark return of 6%.

The correction of 2022 widened discounts, making closed-ends look more tempting. But this is a treacherous field. Consider the many closed-end funds holding leveraged portfolios of municipal bonds. Now that overnight tax-exempt borrowings cost close to 6% while muni bonds yield 4% or 5%, the leverage is making shareholders poorer. Pimco NY Municipal Income III is no bargain, even at its recent 11% discount.

Why don't fund operators end the pain by liquidating some of the bonds and paying off the loans? Perverse incentives. In many cases their fees are a percentage of gross assets, not net assets. If you want tax-exempt income, Herzfeld recommends you buy an unleveraged, low-cost exchange-traded muni fund from Vanguard or BlackRock.

One of Herzfeld's more daring plays is the Cornerstone Strategic Value Fund. Its fat payout, 22% of net asset value, has caused it to trade at a premium, sometimes a very wide one. That premium allows the fund to offer shareholders a bargain of sorts: the right to buy additional shares at a reduced premium. In the last go-round, the offer hauled in \$670 million from eager customers, and their newly delivered capital had the effect of raising the fund's net assets per share. The NAV levitation in turn puffs up performance figures for the fund, driving the fund's market price still higher. Herzfeld is playing a greater-fool strategy, aiming to buy when Cornerstone's premium is at the low of its historical range and sell when it's at the high end.

For conservative investors, there's a simpler strategy. Buy closed-ends that trade at double-digit discounts and have either low expense ratios or large payouts. Two that show up on Herzfeld's 13F filing are Adams Natural Resources and Neuberger Berman Next Generation Connectivity.

"There's a lot of irrational exuberance," Herzfeld says, alongside irrational pessimism. "That's how I put food on the table for my kids." 🍷

FINAL THOUGHT

"WOULDN'T ECONOMICS MAKE A LOT MORE SENSE IF IT WERE BASED ON HOW PEOPLE ACTUALLY BELIEVE, INSTEAD OF HOW THEY SHOULD BELIEVE?"

—Dan Ariely



DRIVING CLIMATE AMBITION

by MYTHILI SAMPATHKUMAR

In 2015, 180 countries signed on to the Paris Agreement with each laying out their goals—also called nationally determined contributions (NDCs)—to reduce carbon emissions and contain global warming “well below” 2°C (35.6°F). The agreement resulted in a flurry of activity from governments in the intervening years in the form of promoting electric vehicles, taxing carbon emissions, incentivizing “green” efforts, investing in renewable energy sources like solar and wind, and transitioning their countries away from fossil fuels.

However, climate scientists are still concerned. Extreme heat, sea level rise and melting polar ice caps, which could lead to flooding and destruction of ecosystems crucial to feeding the world, are all still at risk as politics, special interests and governmental bureaucracy keep some of the world's largest polluters from taking meaningful steps to reduce greenhouse gas emissions.

According to Washington, D.C.-based think tank World Resources Institute, “the world has already witnessed about 1°C of temperature rise and is on track to exhaust the carbon budget associated with 1.5°C by 2030.” The “carbon budget”—determined by the cross-border group of scientists with the Intergovernmental Panel on Climate Change (IPCC)—is the number of gigatons of carbon dioxide the world can emit before the planet warms to 1.5°C and we see even more damaging effects of climate change.

The good news is that businesses are stepping up to the plate to help the planet and fill at least part of that gap in action to fight climate change.

A Hot Investment In The World's Future

A recent study conducted by Trove Research, a U.K.-based climate data analysis firm, found that investment into carbon credit projects between 2012 and 2022 totaled \$36 billion. Half of those investments were made in the last three years, with more than \$3 billion committed for future investments already.



In Partnership With

IETA



Pardon the pun, but it is clear that projects with the ultimate intention of reducing carbon emissions are a hot investment in 2023 and beyond—and not just for the financial returns. As the world grapples with increasing temperatures and frequency of natural disasters, investment into these types of projects is also crucial to “cutting greenhouse gas emissions to as close to zero as possible, with any remaining emissions reabsorbed from the atmosphere, by oceans and forests,” says the United Nations Net Zero Coalition.

Some level of carbon emissions is unavoidable, but developing viable projects to reduce carbon emissions by 45% within the next eight years could allow us to reach net zero by the 2050s and give the world time to develop technologies and practices that are less carbon-intensive in many industries.

But, in order not to exhaust the carbon budget, Trove Research noted, “the current rate of investment in carbon credit projects is only one-third of the level needed to deliver the volume of credits required by 2030. ... The world needs a further \$90 billion of capital to achieve the necessary volume of credits required under this scenario.”

A Burgeoning Marketplace

As Andrea Abrahams, managing director of the International Carbon Reduction and Offsetting Accreditation says: “Decarbon-



“The current rate of investment in carbon credit projects is only one-third of the level needed.”

izing value chains is complex and requires deep transformation of business models and technologies; there is no quick fix. ... We need net zero strategies for every single business to ensure systemwide decarbonization.”

One of the ways the International Emissions Trading Association (IETA) can help businesses do this is navigating the voluntary carbon market (VCM), where companies can buy and sell carbon offset credits constituting 1 metric ton of carbon dioxide or GHG emissions. Abrahams notes the VCM “provides companies with a tool to invest in global decarbonization beyond their own value chains, where and when

GHG reduction activities within their own value chains is limited.” So if a company in the U.S. cannot reduce its emissions to zero, it could buy credits from a company in India or Brazil, for example, that earned that credit by reducing its emissions.

The VCM also allows a variety of industries to take on decarbonizing beyond efforts to get the fossil fuel industry to do so. For instance, Agoro Carbon, launched by Yara, is a global climate solutions company specializing in regenerative agriculture. As Agoro Carbon Alliance commercial director Dylan Lubbe explains, “Regenerative agriculture represents more than just an emission reduction pathway; it’s a multifaceted solution that yields broader benefits. Beyond carbon sequestration, it enriches ecosystem biodiversity, fortifies food security, elevates water quality and, most notably, rejuvenates soil health.

“It’s the embodiment of a holistic pathway,” Lubbe says. The company’s agronomists, who specialize in crops and livestock production, work alongside and center farmers and ranchers in their approach to helping implement regenerative agriculture practices and achieve carbon sequestration. Agoro Carbon also recognized that often a barrier for farmers and ranchers to become part of the VCM is a lack of financial resources, and it has committed to “bridging this gap,” as Lubbe explains. The buyers of these science-backed, high-quality carbon credits

Continued on page 4



Not just any climate solution will help us reach our climate goals. **Verra** supports projects that effectively reduce carbon emissions and create added benefits for local communities and biodiversity. **Verra** works to provide a benchmark for nature-based projects that have a credible impact on our climate by working with experts and other stakeholders to “create and quantify an entirely new way of addressing some of the most difficult challenges facing our planet,” says Hillary Navarro, chief communications officer of the nonprofit standards setter. As she notes, “When we started our journey, there weren’t many believers in natural climate solutions—creating economic

incentives for protecting landscapes, forests, and ocean—but these are now acknowledged as essential and cost-effective pathways to reaching global climate goals.” **Verra** is the world-leading standards setter for carbon offset projects in the voluntary market—and it takes this responsibility seriously. The organization is continuously evolving and scaling up to help the world achieve its climate goals. It recently launched important updates to its high-integrity, science-based carbon standard program. By the end of the year, **Verra** expects to release a new critically important methodology for protecting standing forests.

“When we started our journey, there weren’t many believers in natural climate solutions.”

—Hillary Navarro
Chief Communications
Officer





Keeping Forests Standing Since 2007

As the #1 standards setter and registry provider in the voluntary carbon market, Verra ensures that when a company invests in a carbon project, it makes a real climate impact with credits underpinned by the best possible science.

Our standards programs have funneled billions of dollars of urgently needed finance toward projects that keep forests standing. As a nonprofit driven by impact, we know the stakes if we don't act.





produced as a result of regenerative practices are also empowering farmers and ranchers to sustainably continue these practices.

The VCM operates outside the realm of a compliance, or cap-and-trade, market. In the latter, only a certain number of permits are issued in order to limit the amount of GHGs a country or whole industry can emit. Countries and the United Nations are working on redesigning the international compliance market ahead of COP28, the UN climate change conference, in Dubai next month.

Since the VCM is *voluntary* and does not require emissions reductions, experts and investors have worried about the quality of the credits and the potentially unexamined negative environmental impacts of the projects done to produce them. But, these markets also led to crucial investments in renewable energy and nature-based solutions when those were still relatively unexplored pathways to net zero. Verra is taking on the challenge of supporting these markets as one of the leaders in establishing a set of standards and methodologies. "We've helped create and quantify an entirely new way of addressing some of the most difficult challenges facing our planet, all without the governments of the world leading the way," chief communications officer Hillary Navarro says.



“Regenerative agriculture represents more than just an emission reduction pathway.”

As the VCM matures, so does Verra. The company recently issued its latest iteration of standards and methodologies by "getting the smartest people in the room ... to develop the most rigorous science-based standards that we possibly can [in order] to deliver the best impact, not only in terms of climate impact, but also biodiversity and community benefits," Navarro says. Verra not only provides a benchmark for project developers. Investing in a project that is Verra-certified also provides carbon credit buyers with some measure of quality assurance. Verra standards have helped funnel billions of dollars to finance real climate action, according to Navarro.

Carbon Reduction Is Not The Only Important Pathway To Net Zero

Verra is not working only on carbon markets either. Much of the global discourse on climate change focuses on carbon sequestration, but there are alternative pathways to net zero that are just as important.

More than 350 million tons of plastic leak into the environment each year and less than 9% gets recycled, according to Verra. The company's Plastic Waste Reduction Program was developed as a result to issue plastic credits for plastic waste collection or recycling activities after a rigorous development and assessment process is completed. Every plastic credit is equivalent to "a metric ton of plastic waste that has been collected or recycled above a baseline rate," according to the company's site.

These plastic credits do not operate in the same way an offset carbon credit does. Rather, they provide a way for companies to recirculate money back into additional waste collection and recycling projects and can provide additional income for waste collectors operating in an "informal" capacity, providing safeguards for their working conditions as well.

Another important pathway to net zero that is not often discussed is the destruction of non-CO₂ GHGs. Tim Brown, CEO of Tradewater says, "These greenhouse gases are very difficult to get after, but are critical in preventing runaway climate change."

Continued on page 6



Tradewater

When the world talks about the pathway to net zero for businesses, the conversation has mostly revolved around carbon dioxide (CO₂), but **Tradewater** is leading the pack down a different pathway. The mission-based B-corporation and project development company focuses on mitigating emissions from non-CO₂ gases, including methane leaking from orphaned oil and gas wells, and refrigerants and halons. "These greenhouse gases are very difficult to get after, but are critical in preventing runaway climate change," says Tim Brown, CEO of **Tradewater**. Non-CO₂ gases account for roughly half of all emis-

sions from human activity over the last 50 years, accelerate climate change in the short term and, in the case of halocarbons, are over 10,000 times more potent than carbon dioxide. Eliminating these gases can help curb climate change today—and buy us time for longer-term decarbonization efforts to take effect. **Tradewater** provides pathways and solutions for companies of all sizes to maximize their climate impact, including opportunities for larger firms to mitigate their climate impacts with high-quality carbon credits to its Carbon Neutral Collective for small- and medium-sized businesses.

"These greenhouse gases are very difficult to get after, but are critical in preventing runaway climate change."

—Tim Brown
CEO of Tradewater

In the minute it takes you to read this, over 1 million orphaned oil and gas wells in the United States will have leaked methane equaling 5.3 metric tons of CO₂e.

That's equivalent to driving nearly 14,000 miles in a standard gas-powered vehicle every minute.

It might not seem like it, but the methane leaking from a single unplugged oil and gas well packs a powerful punch.

Preventing the release of this non-CO₂ gas is critical to curbing global warming today—because once methane leaks into the atmosphere, it quickly does its damage and cannot be captured or sequestered.

Certified



Tradewater

Estimated Orphaned Wells and Their Yearly Emissions. Documented Orphaned Oil and Gas Wells Across the USA. (September, 2022). Environmental Science & Technology. DOI: 10.1021/acs.est.2c03268
Estimated Methane Emissions converted to CO₂e using EPA Greenhouse Gas Equivalencies Calculator
Methane Heatmap Image: NASA Earth Observatory. (2013). Mapping Methane Emissions from Fossil Fuel Exploitation

Tradewater is on a mission to permanently stop methane, and other potent non-CO₂ gases like refrigerants and halons, from ever entering the atmosphere. These gases can be over 10,000 times more potent than CO₂ and accelerate climate change in the short term. With your help, we can give our planet a fighting chance in preventing catastrophic climate change.

Learn how you can make a meaningful and long-lasting impact by supporting high-quality climate projects that make a real and immediate difference.

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More than 350 million tons of plastic leak into the environment each year



Methane, halons and refrigerants make up almost half of all GHG emissions from human activity in the last half century, and halons in particular are "more than 10,000 times more potent than CO₂," Brown explains. He adds that the IPCC and other experts agree: "There is no pathway to keep warming at 1.5°C or below unless we address non-CO₂ gases."

Tradewater has collected and destroyed refrigerants and methane from abandoned mines and orphaned oil wells

equivalent to 6.7 million metric tons of CO₂ thus far and is participating in two markets to do even more in the near future. As Brown explains, the company is part of the compliance market, which in the U.S. is active in California, Washington State and in a coalition of states in the north-east via the Regional Greenhouse Gas Initiative covering the power sector. It is also active in the VCM. He says Tradewater works "with companies that have made net-zero commitments and want to be associated with these non-CO₂ gas projects and where there may be synergy or strategic choices to include our projects in their portfolios. That's really what makes the difference, and the more demand that we can generate for this work, the more impact that we can create. So there is a direct relationship between the carbon markets and our ability to collect, control and destroy these gases."

Not only large businesses have net zero commitments. Any reduction in emissions is going to be progress toward net zero, and with its Carbon Neutral Collective, Tradewater enables small- and medium-sized businesses to participate in the process as well. These companies often do not "have the internal resources to understand what their carbon footprint



is, or even have the resources to hire a consultant as maybe a larger firm would. So, we created a carbon calculator that allows them to quickly put in a few inputs to understand their carbon footprint. So a small-business owner can log in, calculate their carbon footprint, and then are able to offset right there and mitigate that footprint," Kirsten Love, director of market development explains.

For more information on the role of carbon markets moving to net zero, get in touch with IETA today!

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IETA

agoro
CARBON ALLIANCE

Agriculture is a significant contributor to global greenhouse gas emissions. This underscores the profound potential for impactful change through strategic investments in this sector. Dylan Lubbe, the commercial director of **Agoro Carbon Alliance**, states, "Our mission is to drive the global adoption of regenerative agriculture practices through high-quality, science-based carbon solutions that improve soil health and farmer prosperity while providing businesses an opportunity to invest in a sustainable future." He emphasizes that "achieving net zero through investments in regenerative agriculture practices not only reduces carbon emissions but also fosters the restoration of ecosystem biodiversity, enhances food security, improves water

quality and, importantly, revitalizes soil health." As Lubbe articulates: "At **Agoro Carbon Alliance**, we're not just addressing greenhouse gas emissions; we're championing a comprehensive approach to a more sustainable future, one that brings multifaceted benefits to our planet and its inhabitants." **Agoro Carbon Alliance** is a company centered on farmers and ranchers and empowering these dedicated individuals. Through comprehensive agronomic and financial support, we enable farmers and ranchers to effectively implement regenerative practices on their land, ensuring sustained positive impacts. This, in turn, translates to a consistent and prolonged supply of high-quality carbon credits for our buyers.



"Our mission is to drive the global adoption of regenerative agriculture practices."

—Dylan Lubbe
Commercial
Director of Agoro
Carbon Alliance



Strengthening Our Land, Sustaining Our Future

Who we are

Agoro Carbon is a leading global provider of high-quality, nature-based carbon credits empowering sustainable agriculture. Backed by Yara, a global leader in crop nutrition and a pioneer in agricultural and environmental solutions with a storied legacy spanning over a century, Agoro Carbon is your trusted partner in premium nature-based carbon credits.

Our mission

At Agoro Carbon, our mission is to drive the global adoption of regenerative agriculture practices through high-quality, science-based carbon solutions that improve soil health and farmer prosperity while providing businesses an opportunity to invest in a sustainable future.

Why you should join us

When you partner with Agoro Carbon, you play an active role in catalyzing the sustainable agriculture revolution. Your investment establishes a tangible revenue stream for farmers and ranchers that finances the implementation of sustainable agriculture practices and grants them access to invaluable agronomic expertise. Partnering with

Agoro Carbon demonstrates your climate leadership and promotes agricultural resiliency and carbon sequestration at scale.

Furthermore, you champion initiatives that foster stronger communities, healthier ecosystems, and increased biodiversity, while also advancing progress towards Sustainable Development Goals. Your decision paves the way for a brighter and greener future.

Join us today and embark on a journey to a greener, more prosperous tomorrow with Agoro Carbon.

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What should I do next?

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APPROACHES 40, HE'S HAVING HIS BILL GATES
MOMENT: MELLOWING (A BIT), MATURING
(A BIT MORE) AND UPENDING HIS COMPANY
WITH STAGGERING CONFIDENCE.
IT'S A BIG BET ON THE FUTURE OF DAILY
HUMAN LIFE—AND HIS LEGACY.



Mark Zuckerberg

SITTING IN A GLASS-WALLED CONFERENCE ROOM NICKNAMED THE AQUARIUM,

MARK ZUCKERBERG

RUNS A COST/BENEFIT ANALYSIS ON THE TOPIC THAT HAS BROUGHT HIM HEADLINES THIS YEAR: MIXED MARTIAL ARTS.

Today, he's focusing on head shots versus body shots. "Getting hit in the face doesn't hurt that much," he deadpans. "It just does brain damage."

The obviously-never-going-to-happen cage match with Elon Musk ("I assumed he wouldn't do it") put Zuckerberg back into the zeitgeist in the stupidest way, but it also served a business purpose: For much of his career, he has undermined his monumental achievements by wading through a swamp of missteps and democracy-crippling scandals. So the Musk beef was rare: an opportunity to play hero to the Tesla CEO's petulant villain, to demonstrate that Facebook's former "toddler CEO" has evolved into Meta's statesman.

"The thing that determines your destiny isn't a competitor," he says. "It's how you execute."

Such reflection is well-timed. Zuckerberg will turn 40 next May, with a fortune estimated at \$106 billion (No. 8 on The Forbes 400), a philanthropy arm designed for maximum impact and a commitment to transform one of the most important companies in the world, over which he has near total control. In many ways, he's having his Bill Gates moment. Like Zuckerberg, Gates dropped out of Harvard to build a historically significant tech company. Like Zuckerberg, he was the nerdy boy-wonder face of his field. Like Zuckerberg, he produced fans, enemies and antitrust concerns on his brusque, relentless way to the top.

And then, in his 40s, Gates flipped the script. He transformed his image from unrepentant monopolist to global benefactor, with his company and legacy both winning because of it.

So what might that look like for Zuckerberg? His friend and peer, Spotify founder Daniel Ek, describes a narrative arc that brings us to the current moment.

There's "The Social Network Mark," Ek says, a nod to the 2010 movie that portrayed the Facebook founder as an arrogant, duplicitous

genius. Then there's "Cambridge Analytica or 'evil Mark,'" he says, referring to the company's data harvesting scandal.

Which brings us to the Mark of today. "He is a lot more authentic in his public persona," says Ek, who emphasizes that his three Marks reflect public perception, not his own opinion. "He's learned a lot over these past few years and he has a new fire in the belly. He's realized he needs to act responsibly because he's got this enormous platform. . . . But there's still some of the old Mark, where he is betting on things even though everyone tells him 'this is never gonna work.'" Most notably, what's likely to be a \$100 billion investment in a fantastical yet still unproven virtual world called the metaverse that may not pay off for another seven years, if ever.



Mission Impossible

With his wife, pediatrician Priscilla Chan, Zuckerberg has shouldered a potentially Sisyphean goal: to help science cure, manage or prevent all disease by the end of the century. Says Chan: "We talked about things that we couldn't imagine being true in our kids' lifetimes."

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Zuckerberg has embraced a “martial arts view of the world,” personally and for Meta, he says. That speaks to respect, purpose, discipline and many other management textbook clichés. But ultimately, this third, more mature Zuckerberg will lean on another MMA principle: self-awareness. “When you go into a competition, you’re not fighting another person, you’re fighting yourself, right?” he says. “You’re just trying to be a better version of yourself.”

Zuckerberg has extraordinary leeway as he pursues this reinvention. Professionally, no one can tell him what to do. Facebook has a dual share structure which gives him unassailable control. Currently, he owns 99% of the supervoting Class B shares and has 61% of the overall voting power, making him both unfireable—and largely unaccountable.

“Can you gather all the other common shareholders to vote against Mark?” asks his friend and Facebook cofounder Dustin Moskovitz. “No, you can’t.”

This was *Social Network* Mark’s foundational move—suggested by Napster cofounder and former Facebook president Sean Parker, no less, and epitomized by Zuckerberg’s early business cards, which read I’M CEO, BITCH. In Facebook’s primordial days, the need for control of one’s own destiny was reinforced. Zuckerberg recalls the time in 2006 when Yahoo offered \$1 billion to buy Facebook, then just two years old. “When I didn’t want to sell the company, I think the investors were thinking, ‘Maybe we should get a different team?’ And it’s like, ‘Oh, well, you can’t,’” he says, laughing quietly.

Zuckerberg understandably sees this as a feature, not a bug. “There are plenty of companies in the world that have

a lot of capital . . . that don’t have the leadership or board structure that enables them to take big bets on the future,” he says. “We’re a founder-controlled company.”

That has no doubt helped Facebook make several acquisitions once seen as audacious but now viewed with respect (WhatsApp), curiosity (Oculus) or awe (Instagram, one of the best corporate purchases this century).

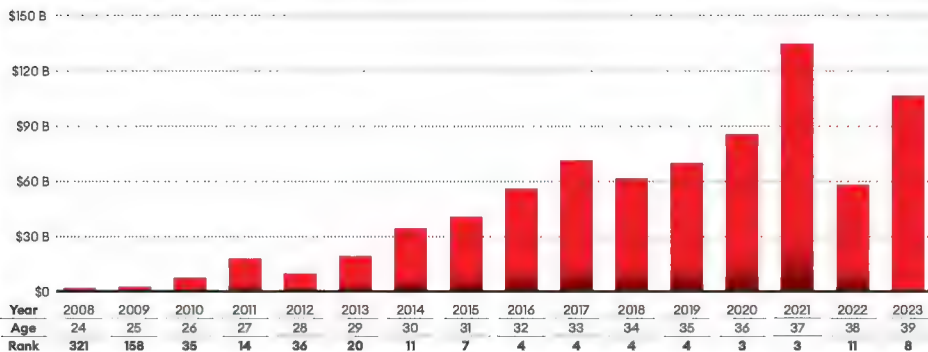
Yet these successes, as Facebook went public at a market capitalization of nearly \$82 billion in 2012, also led to the Evil Mark period, which can be summed up in one word: *hubris*. In the mid-2010s, Zuckerberg barnstormed through the Midwest on a listening tour with fishermen, farmers and firemen. Meanwhile, back in Menlo Park, California, his company, which connects the world better than any other, was being used to assault democracy at a scale bigger than any other.

It’s serious stuff: In 2014, Facebook’s algorithm amplified calls for ethnic violence in Myanmar that helped incite genocide against the Rohingya minority. In 2016, Cambridge Analytica, consultant to Donald Trump’s campaign, improperly used data collected from Facebook with the intent to build voter profiles ahead of the presidential election. That same year, Russia in essence turned Facebook into a discord-inducing anti-democracy tool. In 2021, whistleblower Frances Haugen revealed that Facebook’s leadership had known about the harm its products could cause—and prioritized profit and growth regardless.

“Mark Zuckerberg’s legacy will be the key role his company played in undermining democracy,” says venture capitalist Roger McNamee, an early Facebook investor (and former *Forbes* investor) who has become an outspoken critic. “Without Facebook, the whole world would look completely different . . . and much better. For someone who had so much opportunity for good, this is a tragedy.”

ZUCKERBERG’S FABULOUS FORTUNE

IN 2008, AT 24, THE FACEBOOK FOUNDER WAS THE YOUNGEST SELF-MADE BILLIONAIRE EVER TO JOIN THE FORBES 400. SEVEN YEARS LATER, HE WAS THE YOUNGEST TO CRACK THE TOP TEN.





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To this, Zuckerberg—who originally dismissed concerns about 2016 election interference on Facebook as a “crazy idea,” even as it was going on under his nose—says, “Certain governments around the world will keep on trying to run different campaigns like this,” adding “I think our teams have gotten a lot more sophisticated about dealing with this.”

That’s about all we’ll likely get. Voting control largely shields him from consequences other than apologies. “We didn’t take a broad enough view of our responsibility, and that was a big mistake,” he told a congressional hearing in 2018, apologizing for the Cambridge Analytica scandal. “It was my mistake, and I’m sorry. I started Facebook, I run it and I’m responsible for what happens here.”

But responsibility and accountability are different. Especially when the giant asset firms that support him, including Vanguard, BlackRock and Fidelity, see that despite the stumbles, he has delivered an inarguably great track record for shareholders. Over the last three years, Meta’s shares have lagged the S&P 500 by nearly 16 percentage points, but they outperformed the index by 31 and 367 percentage points over five and ten years, respectively.

Benevolent dictatorships can, in theory, produce greatness. “There just aren’t that many places in the world where you can make the kind of long-term bets that we have,” Zuckerberg says, correctly. But without self-awareness, that benevolence looks more like the “evil” Mark to whom Ek referred—especially if the CEO’s reign could exceed a half-century.

“I think I’m going to be running Meta for a long time,” Zuckerberg says.

It’s hard to pinpoint anyone’s maturation, but in looking at Zuckerberg, and the third Mark, you could do worse than to consider September 2021.

Facebook stock had hit its all-time high. The company was now worth nearly \$1.1 trillion, and Zuckerberg himself was worth some \$136 billion. His push into the metaverse was moving apace. The following month he announced the decision to change Facebook’s name to Meta Platforms, staking its brand on a bet that the metaverse would become the future of computing—the very definition of a founder-driven big bet.

Then came the reckoning. Over the next 14 months, Meta’s shares plunged 75% as annual revenue fell for the first time, with 2022 net income sagging 41%. Zuckerberg’s fortune crashed to \$33 billion. Apple’s 2021 privacy update to its mobile operating system, iOS, which made it harder for tech companies to track users across apps, played a role. Another culprit: competition from TikTok.

Last year, then, Zuckerberg did something different. No pleading forward. No belated halfhearted apologies. Instead, he shifted. After taking his workforce from 33,600 to 87,000 in four years, Zuckerberg last November announced layoffs of more than 11,000 employees—13% of the company—then added another 10,000 to that number this March. “We made some really tough calls last year,”



Eyes Wide Shut

The latest version of Meta’s Quest headset offers “mixed-reality” (a blend of virtual reality and the physical world) and is due to be released this fall; it will cost \$500.

he says flatly. “It’s obviously not what you want to do.”

“We tried to set up the operating framework for the company for two goals,” he continues. “One was to set us up to operate more efficiently and build better products faster. The other was to make sure that we have the financial space to buffer whatever bumps we hit along the way so we can continue to invest in the long-term vision, which for the most part is these two major investments that we’re making in AI and the metaverse.”

The vision didn’t change, even if the metaverse has already been written off by some as a failure and Zuckerberg has said publicly it will take a decade before it makes money. Meta has already accumulated some \$40 billion in operating losses from its bet on the idea of an alternate virtual universe led by its Reality Labs arm, but Zuckerberg remains all-in. It’s tough sledding: Horizon Worlds—a free virtual reality app for its Quest VR headsets that was supposed to herald an era of immersive experiences and VR conference calls—reportedly failed to meet its 2022 target of 500,000 monthly active users, hitting fewer than 200,000, according to an internal document cited by the *Wall Street Journal* in February. Even Zuckerberg concedes Horizon Worlds isn’t as retentive as it needs to be. “It’s one thing to say, ‘Okay, this is an impressive experience,’” he says. “It’s another to say, ‘I want to do another meeting like that every week!’”

“I would probably make a different investment in Reality Labs, for example, if I were calling all the shots,” adds Susan Li, Meta’s chief financial officer.

Li notes that her remark won’t come as a surprise to Zuckerberg, who encourages such debate. And as he took in the criticism and course-corrected, markets responded. Meta’s stock has more than tripled in value since its trough in late 2022—helped along by about \$38 bil-

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lion worth of share repurchases since the start of last year. Analyst consensus projects a 14% rise in revenue this year to nearly \$133 billion and a whopping 50% jump in net income to \$34 billion, bringing it much closer to its high two years ago. The resulting share upswing again made Zuckerberg one of the ten wealthiest people on the planet.

For him, the metaverse is part of a long-term vision that encompasses not just VR and AR, but artificial intelligence as well. Like Gates, who in a February interview with *Forbes* described recent advances in AI as "every bit as important as the PC or the internet," Zuckerberg sees the mainstreaming of AI as a transformative event. And, like many other tech giants, Meta has also built a large language model on which to train the AI that will define its future. Called Llama 2, it's open-source and will be integrated into a variety of Meta's products.

"AI will go across everything," he says, outlining a now familiar new world that begins with intelligent assistants and ends with holograms of our colleagues in business meetings. Zuckerberg also sees AI powering "characters" that live on Meta's various platforms. "They'll have Instagram and Facebook profiles," he says. "And you'll be able to talk to them in WhatsApp and Messenger and Instagram, and they'll be embodied as avatars in virtual reality."

He acknowledges AI is another one of those costly forward-looking gambles. But he's the only Meta shareholder who matters, and he has plenty of patience. "What are you spending all this money on?" It's like, "Well, we're trying to fit a supercomputer into a pair of normal glasses!"

Should Meta manage to pull that off first in a compelling way, it could define a new market. If it doesn't, it will be a costly fast failure like many before it: the Facebook phone, the now-abandoned Portals videochatting device, the botched cryptocurrency effort Libra.

"Our lived experience here is failures, constant failures, constantly doing things that we think people will love," says Meta chief technology officer Andrew "Boz" Bosworth. "And they don't love them and leave us asking, 'Why don't you love this?' We ask that question rigorously. And then we iterate and iterate and iterate until we find the product market fit. That's something we're very good at."

If the first two Marks are based on public perception, then the third Mark has surely realized how Gates transformed his image through the great public works he began to focus on in his 40s. Zuckerberg, just 26 at

the time, was one of the original signatories of the Giving Pledge, the campaign spearheaded by Gates and Warren Buffett that asks billionaires to commit to spending at least half of their fortune on philanthropy.

"Bill believes very strongly that if you want to be good at it by the time you're older, you need to practice," Zuckerberg says.

In 2015, just before the birth of their daughter, Zuckerberg and his wife, Priscilla Chan, wrote her a letter pledging to give 99% of their Facebook shares to their philanthropic mission, later dubbed the Chan Zuckerberg Initiative. Today that stock is worth some \$103 billion (plus the \$4.2 billion they've already given away). If they follow through, and there are no indications they will not, CZI will emerge as one of the world's largest philanthropic efforts, second only to that of Gates and his ex-wife, Melinda French Gates, and possibly bigger depending on Meta's future performance.

Chan describes CZI as "an absurd opportunity." It's set up nontraditionally as a limited liability company that in addition to giving money away makes venture investments in for-profit companies that align with its goals. It also funds advocacy work. The LLC setup means Zuckerberg and Chan don't get an immediate tax break, nor do they have to disclose its activities. But when they transfer assets from the LLC to CZI's charitable foundation, which has \$7 billion in assets (as of its most recent tax filing), the couple gets a tax deduction—and mandatory disclosure. CZI's audacious goal is to help science cure, manage and prevent all disease by the end of the century. Full points for aiming high, but the reality of delivering treatments is complex. Chan is unfazed. "It's rewarding to work on problems that people think are impossible," she says.

To that end, CZI plans to build one of the world's largest AI computing clusters for nonprofit life science research, trying to more completely model various human cells to understand how they behave when healthy and diseased. The Chan Zuckerberg Institute for Advanced Biological Imaging, which is based in Redwood City, California, is already developing new ways to view cells in high resolution to promote earlier disease detection.

Such expansive thinking has changed how Zuckerberg operates. As his CZI-backed entities study diseases, Mark three has embraced wellness in his own life to boost his productivity, exercising almost every day and sleeping a full eight hours a night. With jiu-jitsu and MMA, he's engaging in combat, but in a respectful, more thoughtful way. And he's clearly recognizing that his sins of the past decade might be washed away if he achieves even a fraction of what CZI has sworn to.

"Even if only a third of the things that you bet on work," he says, "I think that still creates a ton of value in the world." ●

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DRIVING API INCLUSION ACROSS CORPORATE AMERICA

LEAP TO THE TOP

For more than 40 years, LEAP (Leadership Education for Asian Pacifics), the foremost advocate for recognition of Asians and Pacific Islanders (APIs) in corporate America, has spotlighted the benefits of APIs' rich ancestral diversity. API representation in the U.S. population, just over 6%, is the fastest-growing segment, 103% just in the 21st century! Census projections see API representation in the U.S. growing to almost 7% in just five years. And even with their smaller representation, their collective buying power is already \$1.3 trillion, an increase of 110% just since 2010.

by JUDITH L. TURNOCK

APIs already punch above their weight and contribute extraordinarily broad skills and rich historical and experiential diversity to America. Yet corporations have never recognized the full breadth of value APIs bring to their companies, where very few APIs reach the C-suite, let alone the boardroom.

Corporations are thus missing opportunities to tap further into the fast-growing API business, talent and consumer markets. APIs have the skills to drive corporate success—and the desire to contribute in every discipline, at all levels, and especially in senior leadership.

APIs are not alone in being overlooked, especially at the top. The Alliance for Board Diversity (ABD), LEAP's 20-year collaboration with The Executive Leadership Council (The ELC), Catalyst, the Hispanic Association on Corporate Responsibility (HACR) and Diversified Search Group, to track progress in representation on Fortune 500 and 100 boards is quality proof. All underrepresented groups are traveling a bumpy and very grudging journey to board positions.

With regard to APIs, the most recent ABD study, published by ABD and Deloitte, "Missing Pieces Report: A board diversity census of women and underrepresented racial and ethnic



\$1.3 trillion

Corporations are ... missing opportunities to tap further into the fast-growing API business, talent and consumer markets.

groups on Fortune 500 boards," 7th Edition, 2023, reports they hold only 63 of 1,214 seats, 5.9%. U.S. Census Bureau projections suggest that API parity in the U.S. population (6.9%) will be reached for board representation by 2030, but the number of seats would probably increase by only two.

Why has corporate America not fully engaged all those talents? All those solid and direct links to the rapidly growing consumer market? Linda Akutagawa, LEAP president and CEO, has an answer for APIs. "The currently prevailing narrative and research tends to focus on what Asian-Americans are doing wrong. We felt it was important to examine very senior Asian-American executives and understand what those who have made it are doing right. We wanted a positive perspective."

In the 2020 "LEAP Asian American Executive Leadership Report," author Dr. Yon Na conducted qualitative interviews to identify leadership characteristics of a select number of senior-level Asian American corporate executives that had led to their success.

The specifics of individual paths differ, but Akutagawa reports, "We found two characteristics that really crossed all of them: Curiosity and a desire to serve others." Dr. Na added, "It's not that others are not also curious; they are. It's that our



"LEAP's focus is the advancement of APIs, but I cannot say strongly enough how our 20-year ABD collaboration has advanced the DEI corporate board conversation and the results—for all of us."

Linda Akutagawa
President and CEO, LEAP

executives voiced a strong positive drive to solve the puzzle of how their companies work, so they could figure out the best way to get themselves included." That report also laid a road map for corporations to learn to recognize the value of their different but equally effective leadership styles.

Now, LEAP is deep in the process of updating those findings, this time including a younger and therefore mid-level cohort. What is LEAP discovering about the impact of the intervening three years? Curiosity and the desire to serve others remain as driving forces, but there is more: They are finding the experienced executives are serving as role models—and mentors and sponsors—adding strategic planning to the greater expectations the young managers bring with them. The experience is proving to enrich both cohorts and their corporate contributions.

There is reason to believe corporations will respond positively to the benefits they offer. The final 2023 study will be published before the end of the year.

In addition to publicizing API's unique contributions to corporate America in particular and the American economy in general, LEAP is a mainstay at preparing the next generation of APIs to make their unique mark on corporate leadership. Early in her career, Dr. Cheemin Bo-Linn, then a digital technology vice president at IBM, became a supporter of LEAP programs. "I embraced the idea that diverse leaders drive change for the benefit of all and recruited LEAP to bring its leadership development programs to IBM."



Corporate Leadership

"breaking through the bamboo ceiling"

In sessions designed specifically for APIs, LEAP's focus is leveraging their cultural identity and heritage as leadership assets rather than deficits they must overcome, what Dr. Bo-Linn describes as "leverag[ing] and lean[ing] into our API culture and values." "It's a shift of perspective that frees them to be authentic," adds Akutagawa. And Dr. Bo-Linn, after two more decades of contributions in different C-suite officer roles, including CEO, at tech-related businesses—and as a board member—is still sending promising APIs to LEAP programs and still receiving grateful reports from program participants about "breaking through the bamboo ceiling."

Exceed, for example, is a program of six half-days for senior managers and director-level staff. Case studies and role-playing, along with one-on-one sessions with an executive coach, prepare participants to navigate power dynamics and conflict, develop a personal brand and achieve greater visibility with senior executives.

Pathways is a three-day program for team leaders and first-line managers to learn to leverage their cultural values

and identity for leadership success. Reports Akutagawa, "We realized that entry-level APIs progressed well until they began entering management positions. We saw a drop-off then, so we designed Pathways to prepare them to lead others." Strategies for professional growth, for themselves and those they manage, are the focus of group sessions



The Alliance for Board Diversity ready to ring the NYSE closing bell. L to R: Cid Wilson, president & CEO, Hispanic Association on Corporate Responsibility (HACR); Carey Owen, national managing partner, chief talent officer, Deloitte; Terri Cooper, vice chair, External DEI, Deloitte; Lorraine Hariton, president & CEO, Catalyst; Linda Akutagawa, president & CEO, Leadership Education for Asian Pacifics (LEAP); Mike Hyter, president & CEO, The Executive Leadership Council (ELC).



"... [D]iverse leaders drive change for the benefit of all, and [I] recruited LEAP to bring its leadership development programs to IBM [and then many others]."

Dr. Cheemin Bo-Linn

Former IBM vice president and CEO of Peritus Partners Inc. and public company board director



Collaboration

"We speak with a unified, respected and therefore powerful voice."

and individual sessions with an executive coach. Participants leave with a personal action plan.

"We're about adding things to their leadership toolbox," declares Akutagawa. "For those who desire to reach the upper echelons of corporate influence and effectiveness, we help them communicate their skill styles and abilities effectively. At the same time, executives can no longer overlook the advantages APIs bring to their bottom lines."

"LEAP's focus is the advancement of APIs," states Akutagawa, "but I cannot say strongly enough how our 20-year ABD collaboration has advanced the DEI corporate board conversation—and the results—for all of us." The U.S. Census Bureau projects that what is now referred to as the minority will be the actual majority by 2045, and through ABD, declares Akutagawa, "we speak with a unified, respected and therefore powerful voice."

For more information on the "Missing Pieces Report" and how LEAP can benefit your company with the API population, visit www.leap.org.



Support for the Asian American Pacific Islander Community

Building a Diverse and Inclusive Workforce

Fidelity continues to strengthen the diversity and inclusivity of its workplace through enhanced recruitment practices and a focus on building a culture of belonging. Affinity groups like the 7,000-member Asian Inclusivity and Multicultural (AIM) Employee Resource Group play a critical role in enhancing our organization's understanding of AAPI diversity.



Advancing Customer Inclusion to Improve Financial Outcomes

Fidelity's customer inclusion team, including our AAPI customer inclusion community leader, aims to identify ways to enhance engagement with diverse customers and communities and improve financial outcomes. Fidelity is rolling out bespoke resource centers for diverse communities with their unique needs in mind.

Investing in Its Communities

Fidelity recently launched Invest in My Education (ME)SM, a \$250 million scholarship and support program to further financial inclusion and economic mobility for up to 50,000 underserved students, including members of the AAPI community. Fidelity associates are also able to direct funding and programmatic support to nonprofits and organizations of their choosing through YOUR CHOICE grants.





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When I was young, my parents took me to different cultural events in our city. Having the opportunity to navigate in and out of various diverse communities proved to be an advantage. As a member of the Customer Inclusion team, I can tap into that skill set to innovate and strengthen Fidelity's programs. A few years ago I got involved in AIM, our

Asian employee resource group. During an AAPI Heritage Month event, I was asked to share my lived experience as an associate of Asian descent. That speaking opportunity was a highlight of my Fidelity experience. It helped reinforce my voice and gave me the comfort to bring my authentic self to work. Now, as a Global Co-Chair for that employee resource group, I am empowered to do the same and lift up other associates.

Forbes 2023


**BEST
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Career perspectives:
**Thanh Tran, Senior
Business Consultant**

Thanh currently serves as a Global Co-Chair for AIM, the Asian Inclusivity & Multiculturalism employee resource group at Fidelity Investments and is a member of the Customer Inclusion Team. She shares how her lived experience has shaped her work to help improve financial outcomes for diverse communities.






Phil and Travis Knight

THE TREND

THE \$93 TRILLION WEALTH TRANSFER

BY MATT DUROT

FORBES.COM

A man with short dark hair and a slight smile is sitting on a light-colored wooden bench. He is wearing a black double-breasted jacket over a dark shirt. His hands are resting on his knees. The background is a plain, light-colored wall.

BOOMERS AND
THEIR ELDERS
CONTROL
TWO-THIRDS
OF AMERICA'S
HOUSEHOLD
WEALTH. THE
RICHEST AMONG
THEM HAVE
SPENT DECADES
THINKING ABOUT
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IN HOW TO MAKE
SURE YOUR
MONEY GOES
TO CHARITY AND
CHILDREN, NOT
TO UNCLE SAM.

PHOTOGRAPH BY
ETHAN PINES
FOR FORBES



Charles and Chase Koch

“There’s four seasons in Oregon: fall, winter, spring and smoke,” laments Nike cofounder Phil Knight, 85.

Speaking in

August from his home in the center of the state, he estimates that because of wildfires, visibility out his windows is limited to 100 yards. “It’s the most beautiful state in the world, so to have it devastated by smoke is heartbreaking. I’ve spent a little money looking into it, and controlling these fires on the West Coast is very doable.”

A bold claim. But Knight admits there’s a task he’s finding much harder than anticipated: giving away the bulk of his \$39.5 billion fortune. “Identifying smart philanthropic bets has not been as easy as I might wish, and I expect that my successors and advisors will have a lot of wood to chop when I am no longer able to source new ideas,” he muses. “I’m not in a hurry.”

Knight is focused on ensuring family and philanthropy—not the taxman—get his wealth. There is a theoretical 40% estate tax looming, but like other members of The Forbes 400, he’s determined it won’t take a big bite from his fortune. “That’s the art form. I talk to my financial advisor all the time, and that’s one of the subjects we talk about endlessly,” he says. “My philosophy is that if I do this right, the charities I give to will use that money better than the government will. So I give to them with a completely clear conscience.” So far he has donated \$3.4 billion, mainly to the University of Oregon (a science center and basketball arena), Oregon Health & Science University (a cancer research center) and Stanford (international grad student fellowships, a business school building and research on cognitive decline).

America’s Baby Boomers (born between 1946 and 1964), along with surviving members of older generations, are about to fuel the greatest wealth transfer of all time. In the U.S. today, according to the Federal Reserve, Boomers control a stunning \$75 trillion and their elders another \$18 trillion of the nation’s \$141 trillion in total household wealth. Yes, some middle-class retirees will spend their savings and die broke. But wealth in the U.S. has become increasingly concentrated, with the richest 1% holding 31% of net assets—meaning most one-percenters (minimum net worth \$10 million) will leave plenty to their children, grandchildren and favorite causes.

That’s particularly true for the very richest. Out of 88 million living Americans born before 1965, *Forbes* has identified 572 U.S. billionaires—the 0.000007%. We estimate they have a collective net worth of \$3.9 trillion to pass on. The death tax? “Only morons pay the estate tax,” former Goldman Sachs president Gary Cohn famously quipped while serving as President Donald Trump’s chief economic advisor.

Make no mistake, the estate tax used to be a real revenue raiser. But a quarter-century of political, regulatory and court decisions—and the ingenuity of private lawyers—have eviscerated it. Congress has raised the amount that a married couple can pass on to heirs without owing estate or

CHARLES AND CHASE KOCH BY GUERIN BLASK FOR FORBES

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NATIONAL VISIONARY OF THE YEAR

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VISIONARIES
OF THE YEAR



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gift taxes from \$1.35 million in 2000 to almost \$26 million this year. The full \$26 million can now even go into a generation-skipping or dynasty trust—meaning it can grow in value for grandkids (or later generations) without any further gift or estate tax owed. Plus, any assets someone still owns at death get a step-up in basis, so no capital gains tax is due on appreciation to that point.

The result: Only 0.04% of deaths resulted in estate taxes in 2020, down from 2.18% in 2000. True, under current law, the estate exemption will fall by about half in 2026, when the temporary Trump tax cuts from 2017 expire. But the IRS has agreed that if that happens, it won't attempt to claw back (and then tax) money already transferred during life using the larger exemption.

For billionaires and centimillionaires, even more relief comes from an alphabet soup of wealth transfer techniques, used in ever more creative and aggressive combinations: GRATs, FLPs, IDGTs, GSTs, CLTs, ILITs, IDFs. Some plans get extra juice from intrafamily loans. Others deeply discount the value of transferred assets based on theories of why lack of marketability or control makes them worth less. In their annual menus of tax-the-rich ideas, Presidents Barack Obama and Joe Biden have proposed clamping down on some of these ploys. But that didn't happen while Democrats held both houses of Congress. It's a nonstarter now.

One way the rich have long been applauded for avoiding taxes is through philanthropy—far easier to love than a loophole. Industrialist Andrew Carnegie, who campaigned for the modern estate tax, gave away nearly 90% of his money—about \$6 billion in current terms—before his death in 1919, leaving the balance to the nonprofit Carnegie Corp. “The man who dies thus rich dies

“You want to get it to the point where when you die, your heirs don’t have to sell the company to pay taxes.”

HAROLD HAMM, FOUNDER, CONTINENTAL RESOURCES

disgraced,” he wrote in his 1889 essay “The Gospel of Wealth.”

In a toned-down modern version of that, Warren Buffett, Bill Gates and Melinda French Gates in 2010 created the Giving Pledge, which requires signers to devote the majority of their wealth to charitable causes during life or at death. Since then, 104 current American billionaires worth \$1.5 trillion (including 77 born before 1965 who are worth \$950 billion) have signed. But not all giving is purely charitable. Recently, a new breed of “social welfare” nonprofits has started clouding the meaning of philanthropy, since these organizations can engage in unlimited issue lobbying and substantial direct political activity—things traditional charities can't do.

Here, four members of The Forbes 400 share the moves they've made to cement their legacies and ensure their wealth goes to family and favored causes—techniques that can work for those of lesser means, too. The four are aged 77 to 87, making them members of the (pre-Boomer) Silent Generation. They were anything

but silent when discussing their legacies. Our professors are Knight; Charles Koch, the free-market libertarian worth \$54.5 billion; Harold Hamm, the truck driver turned fracking king worth \$25.2 billion; and TV whiz cum internet entrepreneur Barry Diller, who is the poorest at \$4.1 billion—and the only Democrat. Diller is candid and unrepentant about having used a tax-saving technique he considers bad policy. “You live within the tax code, and if it says you can do this or that, and it's in the broad mainstream, why would any sentient person act another way?”

CHARLES KOCH

climbs the stairs just before the sun comes up in Wichita, Kansas, to his third-floor office at the headquarters of Koch Industries, the \$125 billion (2022 revenue) conglomerate of which he's chairman and co-CEO. Overlooking him is a bust of his father, company founder Fred Koch, who died in 1967 at age 67. Charles was 32 when he took the reins.

Asked why he still works at 87, Koch invokes psychologist Abraham Maslow's hierarchy of human needs, the highest of which is self-actualization. Then he segues into a more down-to-earth explanation. “I have retired friends at the club I belong to in Palm Springs who play nine holes every morning, have lunch and play gin all afternoon. If I did that, I'd put a bullet in my head. I wouldn't need to because I'd be dead in six months. That's not living.” Koch's son Chase, 46, says his father's passion for both business and social change keep him going. “He works out six days a week and he's pretty healthy, knock on wood.”

That hasn't kept Koch from nearly completing his plans for after he's gone. He has already transferred to Chase and to daughter Elizabeth, 47, equal amounts of his nonvoting Koch shares. After Charles' death, Chase will get all his father's voting stock, giving him 42% control. (The heirs to Charles' brother David, who died in 2019, also have 42%.)

This past March, Dave Robertson, 61, a Koch Industries lifer, was named co-CEO with Charles. A transition figure to Chase? “I don't want to take anything off the table,” says Chase, who was promoted to executive vice-president in March. But he adds that his current role heading up Koch Disruptive Technologies, a venture capital subsidiary, is where he can “add the most value” now. “We don't think about it as a family business. We think about it more as a meritocracy. As soon as we start thinking about it like ‘the next Koch needs to have this role or that role,’ I think we're in trouble.”

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Barry Diller and Alex von Furstenberg

Charles Koch says his kids didn't get all his nonvoting shares; the rest will go to fund his charities and causes, after his wife, Liz, 78, is provided for. He hasn't signed the Giving Pledge and won't disclose the family/charity split.

But he has already made a big, and previously unreported, move. Last year he gave \$4.3 billion of nonvoting Koch stock to Believe in People, a Wichita-based not-for-profit created under section 501(c)(4) of the tax code, a broad category of "social welfare" organizations that includes everything from volunteer fire companies to the National Rifle Association and the American Civil Liberties Union. In contrast to a traditional 501(c)(3) charity, a C4 can own an entire company indefinitely and (so long as these activities support its principal purpose) engage in an unlimited amount of lobbying; get directly involved in politics; and benefit private individuals.

There's no income tax or estate tax deduction for giving money to a C4, as there is to a C3, but in 2015 Congress made a crucial tweak to the law that a Koch lobbyist promoted. That change exempted transfers to a C4 from the gift tax. So a living billionaire (or anyone else) can therefore give a C4 a big gift of highly appreciated stock without paying either gift or capital gains tax. The C4 can then sell the stock, capital gains tax-free, or hold on to it indefinitely, reaping the dividends.

While a few billionaires have put their entire companies into C4s, Koch's \$4.3 billion gift to Believe in People is the largest, in dollar terms, to a C4 that we know of. The C4 is run by Chase, Robertson and Brian Hooks, who coauthored Charles Koch's fourth book, *Believe in People: Bottom-Up Solutions for a Top-Down World* (2020). Hooks, 45, also heads Stand Together, a

network of Koch-funded charities and policy organizations. In addition, in 2020, Koch donated \$975 million of nonvoting shares to CCKc4, a C4 run by Chase. The two newly funded C4s have as their stated purpose advancing human progress as defined in Koch's books. Under the separate Stand Together umbrella: the nearly two-decade-old Americans for Prosperity, a C4 "grassroots" organization that has spent tens of millions a year on policy and politics, including opposing President Obama's reelection. A political action committee affiliated with AFP is now opposing both Biden and Trump.

Koch, the staunch libertarian, has supported an array of policies that includes cutting taxes and regulations, criminal justice reform and marijuana legalization. While emphasizing that he doesn't make the decisions at AFP, he offers this shot: "What I think is very dangerous, very destructive for our country is that both parties are becoming increasingly authoritarian."

AFTER

spending his summer yachting in the Mediterranean, Barry Diller, the founder and chairman of internet and media conglomerate IAC, returned to his

His big picture approach offered a priceless solution.

Patrick is more than my adviser. He's been there through all of our milestones, from selling our company to watching our two daughters grow up. I confided in him about wanting to help my daughters enhance their income. While I planned to transfer them some of my stocks, Patrick worried about it affecting my liquidity. Knowing the inner workings of my balance sheet, he offered an alternative solution using a charitable trust. Suggesting I fund it with artwork I had recently started using, I was delighted to find out that we could sell the artwork free of capital gains tax and get my child an annuity stream of income—problem solved. Not only did he find a creative solution, but he saw to it that the trust would effectively support a philanthropic cause near and dear to my heart. Patrick didn't offer the easiest solution. Instead, he looked at the big picture and provided options that supported all of my goals. One that he wouldn't have known without putting himself in the little things.

—Katherine, Wife/Hollywood




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Manhattan office this September to argue that the tax code is unfair to those who can't afford a yacht. "This idea that capital deserves protection while working people's salaries don't is a monstrosity," he says.

One giveaway to the rich the 81-year-old particularly hates: the grantor retained annuity trust, a popular tool for transferring appreciating assets to heirs tax-free. "GRATs should be abolished," he says. "I've never heard any reason for them that has any social underpinning." But they're now mainstream, so he has used them. In addition to the \$400 million of stock in Expedia (it was spun off from IAC) Diller currently holds in GRATs, he has transferred more than \$1 billion of other assets through GRATs to different trusts for his heirs. "I'm in the center lane on this," he says. "We don't have lawyers looking for [new loopholes]. Some of my friends spend an excruciating amount of time on this. We don't do that."

One variation: the Walton GRAT, also known as a zeroed-out GRAT. Walmart cofounder Bud Walton's ex-wife, Audrey Walton, won a tax court case in 2000 allowing it. A parent puts stock or other assets in a trust for his kids and takes back an annuity (which can pay out in stock) calculated to equal the present value of everything he just put in the trust—assuming, that is, that the assets grow no faster than a low statutory interest rate, known as the 7520 rate. That rate was an absurdly low 1.6% a year for GRATs set up in February 2022, before the Federal Reserve started raising rates. If the GRAT assets grow faster than 1.6%, there's real wealth left in the trust for the kids (even though the parent got all his money back), gift tax-free. Because this works only if the parent outlives the term of the GRAT, this is typically done with a series of overlapping GRATs lasting two to ten years. A side benefit: The parent pays any income tax owed by the GRAT (on stock dividends or capital gains, say), effectively increasing what's left for the kids.

Although he's a Giving Pledge signatory, Diller still plans to leave his kids big bucks. "I believe that what Warren Buffett and others have said about not leaving your children wealthy because it ruins ambition is wrongheaded," says Diller, who grew up in an upper-middle-class family in Beverly Hills, dropped out of college and started in the mailroom at the William Morris Agency. "They're either ambitious or they're not. I don't believe money particularly motivates ambition anyway." He himself was the wunderkind CEO of Paramount Pictures and then Fox before deciding at 50 that he wanted to own his own company.

He involves his kids in his charity work, too. "Before [the Giving Pledge] was public, Warren Buffett called and asked if we'd consider being in the initial group. I said, 'I'll ask my son, since he's the one most directly affected,'" he recalls. That son is Prince Alex von Furstenberg, 53, one of two children from his wife's first marriage (to a German prince). Diller married Diane von Furstenberg, the famed fashion designer, in 2000. "He's kind of an idiot savant of investing," Diller says of Alex, who manages the Diller-von Furstenberg family office and who urged his stepfather to sign the pledge.

So far, Diller has doled out \$430 million to charity, including more than \$300 million to develop Little Island, a public park on an artificial island in the Hudson River off Manhattan, with garden paths and an amphitheater. It opened in 2021 after years of legal challenges and cost overruns. The park was Diller's

baby. "I've always loved public art and public spaces," he says. Alex and his sister, Princess Tatiana von Furstenberg, 52, along with their mother, serve on the board of the family's charitable foundation; each, Diller insists, has veto power over major spending. As for the kids' charitable interests, Alex has already spent millions of his own money promoting plans to help poor Americans build wealth. "He cares so much about inequality," Diller says.

“THE ESTATE TAX

is a big consideration," Phil Knight says candidly. "I suppose that's one big reason I'm giving most of it away, because I can get more bang for my buck that way than the other way." The other way, of course, is a chunk going to Uncle Sam in the form of estate or gift taxes. Oregon, where he's the richest resident, also has a 16% estate tax he's keen to avoid.

The Beaver State has benefited from his philanthropy, however, with Knight's alma mater, the University of Oregon, the largest recipient so far. He ran track there, served a year in the Army, earned a Stanford MBA, surfed and sold encyclopedias in Hawaii on his way to Japan (where he secured U.S. import rights to a line of running shoes) and became a CPA—all before starting Nike in 1964 with his college running coach. He dismisses accusations that he has wielded excessive influence at the school. But he isn't oblivious to criticism; it explains why he hasn't signed the Giving Pledge. "I thought with local media being quick to criticize, they would look and say 'You're not giving it away very fast.'"

"I don't want to rush it. I've elected to focus on big causes that can have a big impact," he adds. "It's a bit the opposite of [Amazon founder Jeff Bezos' ex-wife] MacKenzie Scott, who has quickly contributed so much to hundreds of different charities and done a lot of good. But there's a lot of them in a hurry." Responsibility for continuing his charity, Knight says, will fall first to Penny, his wife of 55 years, who "is 10 years younger than I am and in better shape." Then son Travis, 50, will make decisions. A former rapper (stage name: Chilly Tee), Travis now runs Laika, an Oregon-based animation studio his father gained control of in 2002.

In his 2016 memoir, *Shoe Dog*, Knight expressed regret about not spending more time with his two sons while building Nike. (His older son, Matthew, died while scuba diving in 2004.) Now he's spending time with Travis, talking philanthropy. That process, Knight concedes, "is actually in its infancy now, because we just started over the last couple of years to talk about those things. I'm still making the decisions, but he's at my elbow while I'm making them."

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Travis has been learning the ropes at Nike, too. In 2015 he joined the board as part of a succession plan; his dad stepped down the next year. "I've always felt that my position on the board is sort of as a guardian of the culture," Travis says.

Knight used GRATs to move shares now worth \$3.8 billion to a trust in Travis' name. Another Knight maneuver, involving a family LLC called Swoosh, has brought the total value of shares transferred to trusts for his heirs to \$4.4 billion, according to securities filings and an analysis by Bob Lord, a tax attorney and senior advisor to Patriotic Millionaires, a group favoring higher taxes on the rich.

While Travis' trust now has voting control of the family's nearly 20% stake (worth \$29.8 billion) in Nike, 85% of the shares are technically owned by Phil Knight. Lord points out that he could use testamentary charitable lead annuity trusts (CLATs)—a well-established option—to reduce or eliminate estate tax on this remaining wealth. As with a Walton GRAT, a CLAT can be "zeroed out." The charities get annuity payments for a fixed number of years calculated to exhaust the present value of the assets put into the CLAT—assuming they don't earn more than that low 7520 interest rate. If they do earn more, heirs are left with the trust's remaining assets at the end, without any estate taxes. A spokesman for Knight acknowledges CLATs are a "viable option," but adds that "no such plan is presently contemplated."

Knight could also leave those shares to his wife estate tax-free (under the unlimited marital exemption) and defer further planning to her. When asked what percentage of his wealth he'll leave to charity, he tells *Forbes*, "It's certainly way more than 51%. It's certainly not 90%. It's somewhere in between. Ultimately those final decisions will be decided after I'm gone. Penny and Travis are on the same page, and they will make the decisions on a lot of the amount that's given."

"MONEY DOESN'T

drive him at all," says Shelly Lambertz, Continental Resources' chief culture and administrative officer, of her 77-year-old father, Harold Hamm, the business' founder. "He loves the company. It's his first and favorite child. His identity." Hamm, the 13th child of Oklahoma sharecroppers, picked cotton barefoot, worked as an oil field truck driver after high school, began drilling wells when he was 25 and went on to lead

America's fracking revolution.

He says his top priority right now is generating cash to pay off the \$4.3 billion he borrowed to take Continental private in a \$27 billion (enterprise value) LBO last November. By then, he had already transferred half the family's Continental stake (now worth an estimated \$25 billion) to trusts benefiting his five children. That took 25 years of working with lawyers and a complicated series of



transactions that involved a family LLC, loans to the trusts and valuation discounts. "The biggest key is to start early, when the company is small, before the growth has occurred and the value is created," he says. "You want to get it to the point where when you die, [your heirs] don't have to sell the company to pay taxes." Going private wasn't an estate planning move, he notes, but an economic decision based on the market acting "like oil and gas didn't exist anymore after 2020."

So far, Hamm has donated around \$200 million—less than 1% of his wealth—to charity for diabetes research, an energy institute and other causes. In 2011, he signed the Giving Pledge with his second wife; three years later he wrote her a \$975 million divorce settlement check and swore never to remarry. He's no keener to share with the IRS. "I haven't seen anything to lead me to believe that the government has done very well with the money America has already given them." ■

Additional reporting by Chris Helman

MODERNIZING THE GRID

To Strengthen Reliability and Resilience



The electric grid is the backbone of the nation's infrastructure and economy. High-quality electricity is critical for American competitiveness in an increasingly digital world.

As the modern grid evolves to meet the needs of the 21st century, affordability, reliability and, now, resilience remain the top concerns, GridWise Alliance CEO Karen Wayland said.

Disruptions to the grid are increasing. In 2020, the grid experienced a record 22 weather events causing more than \$1 billion in damage, Wayland told Congress last year. The massive Texas power failure in February 2021, recurring wildfires in California, and the August 2023 wildfires in Maui continue to focus attention on the need to enhance the resilience of the power grid.

While a reliable, hardened grid limits power outages, preventing every outage is an unreachable goal. A resilient grid will prevent outages or limit the geographical area of an outage and reduces the time customers who do ex-

The patchwork nature of grid modernization means that some customers are missing out on the benefits of being connected to a modern grid.

perience outages are without power. A resilient grid includes technologies like microgrids that provide power to critical infrastructure such as hospitals and community shelters, Wayland said.

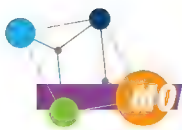
Innovative, modern grid technology—including advanced distribution management systems, advanced metering infrastructure (AMI) and updated distribution circuits—also improves resilience, said Kevin Ludwig, grid portfolio lead at Black & Veatch. This results in increased visibility and

enables energy providers to quickly isolate faults and limit or even prevent outages, Ludwig said.

For example, sensors can alert grid operators to localized disruptions, allowing more targeted responses while automated grid equipment reroutes power around downed lines, Wayland said.

Not all needed improvements require the most advanced technology. "Undergrounding distribution is a huge improvement, especially when you think about future reliability and resiliency due to weather events," Ludwig said. "You only need one or two events for a payback and we're seeing more and more of those events happening."

Billions in federal funding is accelerating grid modernization and reducing costs to individual taxpayers, Wayland said. But these improvements are happening state by state, utility by utility, leading to an uneven consumer experience.



"The patchwork nature of grid modernization means that some customers are missing out on the benefits of being connected to a modern grid," Wayland said. "It means they have less visibility into their own electricity use. They have less ability to take advantage of new technologies, like distributed energy resources, that might reduce their bills. They are more likely to suffer power outages and longer power outages. There are real economic and human costs to power outages."

But funds included in the Infrastructure Investments and Jobs Act (IIJA) will help address gaps in grid resilience across the country, especially for small and medium utilities, by reducing the cost of these grid modernization projects for consumers, utilities and other energy-industry stakeholders.

In addition to addressing the nation's growing energy needs, a modern grid

We've always asked the grid to be reliable and affordable, now we're asking the grid to be the platform for integrating renewable energy, allowing customers to have more choice in how they get and use electricity.

must also meet the demands of the future, which will include an influx of renewable energy—such as wind, solar and electric vehicles—to reduce carbon emissions from the electricity sector. Increasing electrification of buildings, transportation and industry to reduce emissions from these sectors will also require upgrades to the grid.

"We've always asked the grid to be reliable and affordable," Wayland said. "Now we're asking the grid to be the platform for integrating renewable energy, allowing customers to have more choice in how they get and use electricity."

As more renewables are manufactured and deployed, their costs have dropped significantly. Even with short-term cost escalations associated with onshoring and supply chain challenges, renewables remain cost-competitive, said Deepa Poduval, senior vice-president and global advisory leader at Black & Veatch.

"There is often the temptation to assume that a more sustainable business creates additional costs, which you need to trade off against the bottom line in a zero-sum game," Poduval said. "But it is myopic to look at

(continued on page 4) ►

Designing A Grid Built For Change

"The grid of the past was built to last. Today, while longevity remains vital, the grid of the future must also be built for change," said Mahesh Sudhakaran, General Manager, Grid Software at GE Vernova's Digital business. Tomorrow's grid will orchestrate supply and demand in unprecedented ways as solar panels, batteries and electric vehicles transform homes and businesses into dynamic power centers.

And this change isn't a distant future—it's already well underway. For utilities leaders and grid operators, the challenge is to orchestrate this complexity in order to accelerate the onboarding of renewable technologies while maintaining a stable supply of reliable, resilient and affordable energy.

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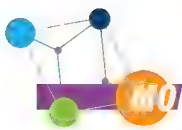
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sustainability using traditional investment metrics.”

The energy transition requires a holistic approach that incorporates local, state and federal tax credits and funding to support a wide range of technologies, as well as broad-based solutions that integrate collaboration to share costs as well as risks, she said.

“Some of the challenges we see are that sustainability tends to be seen as something long-term, for 2040 and 2050,” Poduval said. “It’s important to understand what near- and mid-term actions are needed and the urgency with which they need to be acted upon to have an executable pathway to 2050.”

To meet clean energy goals and increasing demand for electricity, transmission systems will need to be expanded 60 percent by 2030 and tripled

You can install some of these grid-enhancing technologies in less than a year and they pay off in less than three years. This... is something we can do today.*

by 2050, according to a 2022 Department of Energy white paper.

Building new transmission is a clear need, but it’s not a fast process. Even with proposed federal reforms to the siting and permitting process, adding new transmission will still take 10 years or longer, Wayland said. In the interim, utilities and other entities can take immediate steps to address the growing

demand for clean energy.

These steps include developing community-scale solar as well as aggregating distributed energy resources such as rooftop solar and electric-vehicle batteries, Wayland said. Adding storage throughout the grid—in homes, on the distribution system and on the transmission system—is another key intermediate step. Grid-enhancing technology such as dynamic line rating and power optimization allows grid managers to better understand real-time conditions and move power across the grid more efficiently, she said.

“You can install some of these grid-enhancing technologies in less than a year and they pay off in less than three years,” Wayland said. “This is something we can do today. These technologies also have to be added to new transmission projects.”

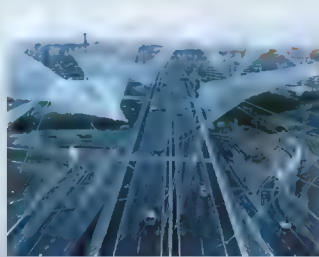
Modern Grid Requires Advanced Communication Utilities Need Good Roadmap

Over the last 20 years, global primary energy consumption has grown 45 percent and is expected to grow 39 percent in the next 20 years, according to an IEEE paper. By 2050, renewable energy will account for 38 percent of all power generated, double 2019 levels, according to the U.S. Energy Information Agency.

The two-way power flow needed for renewables and the dense concentration of control points, edge devices and advanced metering infrastructure (AMI) requires a dynamic grid with an advanced communication network that can respond to multiple simultaneous demands to reliably deliver power to the customer, said David Hulinsky, private networks solutions leader at Black & Veatch.

“The electrical grid, on a holistic basis, is undergoing the most significant transformation in its history, with digital technology and devices being pushed to the edge,” Hulinsky said.

As these digital devices are densified across the grid, utilities need an advanced wireless network, such as private LTE (PLTE) or 5G, that goes beyond supporting traditional applications to advanced



applications that provide real-time grid monitoring and control. These advanced communication systems are now the third element of the modern grid, after transmission and distribution, he said.

Black & Veatch helps its clients develop a roadmap and provides the engineering, procurement, construction and consulting services to implement their infrastructure projects. This includes selecting best-in-class equipment, developing innovative technology solutions, and providing scalable project execution plans, Hulinsky said.

As for sustainability, Black & Veatch helps its clients take an integrated strategy-to-execution approach to achieve long-term goals that includes fully leveraging all funding opportunities and tax provisions, as well as opportunities to collaborate and share risks with other key stakeholders, said Deepa Poduval, senior vice-president and global sustainability leader.

“Sometimes utilities focus only on the technology,” Hulinsky said. “Commonly overlooked are some major risks to implementing PLTE and 5G networks successfully, such as construction plans, regulatory permits, scalability, and operations and maintenance. Utilities need partners like Black & Veatch to help develop successful project delivery and managed services plans that account for the end-to-end product life cycle.”



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THE PROFILE

VIVEK'S POLITICAL ROI

FANCIFUL PROMISES AND SELF-SALESMANSHIP MADE VIVEK RAMASWAMY A BILLIONAIRE BY AGE 38. THAT SAME PLAYBOOK HAS FUELED HIS EARLY RISE IN PRESIDENTIAL POLITICS. WIN OR LOSE IN 2024, HE'LL EMERGE RICHER AND MORE POWERFUL THAN EVER—JUST HOW HE PLANNED IT.

BY JOHN HYATT

PHOTOGRAPHY BY
JAMEL TOPPIN
FOR FORBES

ON

what feels like the hottest morning amid the hottest August in recorded history, Vivek Ramaswamy sits coolly on a plush leather couch in his campaign bus, chomping on an apple and brimming with self-belief. Thirty-six hours earlier, the 38-year-old political neophyte was the breakout star in the first Republican presidential debate of the 2024 primary season. “My gut instinct is that I’m going to be the nominee, that I’m going to win the general election in a landslide,” he says, before positing why that could be: “I think I am closer to Trump in 2015 than Trump today is to Trump in 2015. You only get to be the outsider once.”

That’s among the more truthful things he’s in the habit of saying. Eight years ago, Donald Trump turned every American political assumption upside down. He ran for president as a businessman without any political experience, any realistic platform or any repercussions from scandals that would have blown out pretty much every politician, ever. Instead, he was grievance personified, which, combined with uncanny messaging instincts, enabled him to pull an inside straight and punch his ticket to the White House.

That’s what makes Ramaswamy’s campaign important. It turns out that Trump wasn’t an aberration—as his juggernaut non-campaign currently underscores—but rather a template. The hottest candidate in the GOP field isn’t the Florida governor, the South Carolina senator or even the former vice president. It’s yet another tycoon (Ramaswamy edged into billionaire status earlier this year) with a penchant for TV hits and the often inaccurate, sometimes outrageous and highly calibrated statements that feed them.

As political pundits try to analyze Ramaswamy’s rise through a Washington lens, the answers are wildly evi-

dent to anyone who has followed his business career. “This will be the highest return on investment endeavor ever taken up in the pharmaceutical industry,” he told *Forbes* in a 2015 cover story, shortly after he launched the biggest public offering in the history of biotech, less than two years after he landed on the 30 Under 30 list.

The key phrase there: *return on investment*. ROI drives just about everything in Ramaswamy-land, from education choices to friendships to business operations. It’s embedded in the name of the holding company that drove most of his wealth, Roivant Sciences. And it explains why he chose to run for president, how he’s campaigning and what he’s going to do with his newfound fame and influence.

ROI serves the perspective of the investor (how much appreciation a dollar

can get, with mission as a byproduct) rather than that of the entrepreneur or operator (what problem can be solved, with money as a byproduct). In politics, that correlates to jacking poll numbers as high as possible for as little spend as possible, versus a campaign centered on best governing principles. Ramaswamy has mastered the red meat formula that Trump battle tested, with promises to abolish the FBI and Department of Education, fire 75 percent of federal workers and cut off aid to Ukraine, even as it remains under Russian assault. As Ramaswamy himself noted, he’s trying to out-Trump Trump, and his polling numbers have increased in lockstep with his bombast.

But there’s another way to generate ROI here: Running for president is great for your profile. A grab bag of non-political opportunists, narcissists and hucksters from both ends of the political spectrum have figured this out, from Herman Cain to Marianne Williamson to Ben Carson to Robert Kennedy Jr. And now Ramaswamy has innovated yet again—in the form of an investment operation, Strive Asset Management, which dovetails with his antiwoke political message. That creates yet another way for him to win, even if he loses.



RAMASWAMY’S returns-at-all-costs ethos has roots in his childhood. His parents left India, despite their Brahmin caste and sterling credentials, to pursue a better life in the U.S. His father, an engineer, took a job at General Electric; his mother, a geriatric psychiatrist, worked at Merck. They settled in Ohio and eventually sent their eldest son, Vivek, to St. Xavier, a Jesuit school just outside Cincinnati, despite the fact that he was (and remains) a practicing

“INCREASING THE VALUE OF ROIVANT WAS THE CORPORATE STRATEGY. DRUGS HAPPENED TO BE A WAY TO DO IT.”

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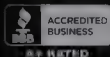
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² Source: "Historical Gold Prices - 1833 to Present," National Mining Association.

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Hindu—it was an elite private school that could catapult him.

At Harvard, he emerged as something of a machine, a young, handsome charmer with boundless ambition and the habits to match. He chaired the political union, competed on the school's

and its experimental hepatitis C drug, which Schinazi termed "garbage." Ramaswamy's response, as Schinazi remembers it: "It doesn't matter. The perception is that the stock will do well. We know the company is toxic. We know the company is not per-

"THE VIVEK I THOUGHT I KNEW IS NOT THE PUBLIC PERSONA WE SEE TODAY. EITHER HE CHANGED HIS TUNE, OR HE ALWAYS BELIEVED WHAT HE NOW SAYS."

club tennis team, performed as libertarian rapper Da Vek, worked for renowned stem cell scientist Douglas Melton and cofounded a fundraising platform for student entrepreneurs. Even his literal appetite was boundless. "I've never seen somebody eat as much as he does," says Anson Frericks, Ramaswamy's high school friend, who later helped him found Strive. "When you sit at a meal with him, he'll order three or four meals."

Summer trips to his father's southern Indian village, where he saw the caste system limit opportunities, cemented his belief in the American economic system. "We don't have to flog ourselves for capitalism," he says, addressing a packed diner in Milford, New Hampshire. "Stop apologizing for capitalism."

Emerging from Harvard, though, he was drawn not to the capitalism of business builders like Amazon's Jeff Bezos or Nike's Phil Knight, but rather the transactional flavor that seeks efficiency and alpha. His first job was at a Manhattan hedge fund, QVT, where he worked as an analyst—while, true to his machine reputation, simultaneously attending and graduating from Yale Law. "A genius," says Raymond Schinazi, the founder of several biotech firms whom the young analyst befriended after buying up shares in his company Pharmasset. "I learned a lot from him about investing."

To Ramaswamy, returns trumped mission, fundamentals or anything else. Schinazi recalls asking him about one of his other investments, Inhibitex,

fect. But we are making money. That is what's most important." Ramaswamy denies saying this and notes that Pharmasset competed with Inhibitex. But Inhibitex did turn out to be toxic: Bristol Myers Squibb bought it for over \$2 billion in 2011, then quickly wrote it off after a disastrous clinical trial.

At 28, Ramaswamy struck out on his own, with \$100 million in backing from his former employer and others. He named his firm Roivant Sciences—as in ROI. His thesis: Pharma giants had plenty of abandoned drugs that could be worth a fortune if someone focused on them. At its core, it wasn't about creating anything, but rather unlocking the value of what had already been created.

"He had dinner after work almost every evening with a CEO [or] somebody important," recalls a former high-level Roivant employee. "What Vivek realized is there's a very small number of stakeholders in the world of pharma who control very, very large sums of money, and so for relatively few conversations, you can move a lot of money and do a lot of business."

He also outworked just about everyone. "The dude put in 100 hours a week for a decade to build Roivant—that's not normal," says Janak Joshi, a health care entrepreneur who knows him.

One year after founding Roivant, the newly married 29-year-old canceled his honeymoon and brought his wife to ring the bell at the New York Stock Exchange celebrating the 2015 public offering of Axovant, one of Roivant's spinoffs. Its prized asset was an

Alzheimer's drug candidate with a lot of hype—and four failed clinical trials—that he'd bought for \$5 million. Already the largest biotech listing ever, Axovant was worth nearly \$3 billion by the end of its first day of trading.

Two years later, Ramaswamy secured a \$1.1 billion investment for Roivant led by SoftBank, promising to bring tech wizardry and artificial intelligence to clinical trials through a new subsidiary, Datavant. A month later, Axovant's Alzheimer's drug failed its fifth trial, cratering the stock. (It's now worth less than \$30 million and is being liquidated.)

"Increasing the value of Roivant was the corporate strategy," recalls one former manager in its technology division. "Drugs happened to be a way to do it." In 2019, Japanese conglomerate Sumitomo paid \$3 billion for five of Roivant's subsidiaries, access to Roivant's drug discovery technologies and an 11% stake in Roivant at a \$9 billion valuation. Taking some cash off the table, Ramaswamy pocketed about \$140 million after tax from that transaction, with the rest of his Roivant holdings making up the bulk of his net worth.

The FDA did eventually approve five of Roivant's drugs during Ramaswamy's tenure, which he is quick to point out in stump speeches, but the company has never turned a profit, and it lost \$1 billion on \$61 million in revenue last year.

★ ★ ★

DONALD TRUMP campaigns like Donald Trump operates in business: simple messaging repeated constantly, truth be damned; a fanatic obsession with imagery; and a desire to use other people's money, no matter how big your own pile.

Vivek Ramaswamy campaigns like Vivek Ramaswamy. First, there's that energy. He's nonstop, spending nearly all his days and nights with voters and wooing them like he did investors. In this, he channels Bill Clinton. "Vivek is really good at making it seem like he cares about what you're saying," says a former Roivant employee

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who worked under Ramaswamy for years. "He's very good at being present, making you feel you're being listened to." When he's not speaking to crowds of voters, he's arguing with cable news hosts, or briefing journalists on his campaign bus or private plane, or appearing on podcasts, or recording episodes for his own podcast, *The Vivek Show*, or crafting provocative tweets, or filming videos of himself soliloquizing, or huddling with advisors to discuss what's next.

The youthful pace, in an election that seems headed toward a face-off between two people born in the 1940s, comes paired with a youthful style, rapping to Eminem's "Lose Yourself" and playing tennis with social media influencer Jake Paul. "I'll tell you what's going on with our generation, us Millennials and people younger than me," preaches the Indian-American vegetarian to a group of mostly white Iowa Republican bigwigs chowing on cheeseburgers at the Polk GOP Summer Sizzle outside Des Moines. "We are so hungry for cause; we're so starved for purpose."

That energy translates into political ROI. Every media hit, every viral moment, every impression—they're all investments Ramaswamy makes in his own political capital. His rate of return grows with each Google search and new social media follower: He has hit 1.3 million on X (formerly Twitter), a fivefold bump since he declared his candidacy in February, and 640,000 on Instagram, a whopping 25-fold boost, per tracking site Social Blade.

He understands that pushing boundaries gets attention. From atop a wooden porch in a backyard in Amherst, New Hampshire, he declares, "I am against birthright citizenship for illegal immigrants," before adding "I go a step further," proposing that U.S. citizens must pass a civics test to vote—a provocative and likely unconstitutional proposition. To a packed buffet crowd in Newton, Iowa, he proclaims, "I've enjoyed getting to know Elon Musk better recently [and] I expect him to be an interesting adviser of mine," before praising Musk for cutting 75% of Twitter's workforce. The result: a fresh wave of online

news stories, and two days later, Musk endorses Ramaswamy for the vice-presidential slot.

Few saw Ramaswamy's 2024 campaign coming, including Ramaswamy. "I can confirm that I will not be running for dog catcher, president or senator," he said onstage at the *Forbes/Shook Top Financial Advisors Summit* last October, sitting alongside former Secretary of State Mike Pompeo, who hinted that he himself might run. "I'm glad to hear it," Ramaswamy responded.

He started dabbling in politics only in 2020. After facing backlash at Roivant for initially refusing to speak out in support of Black Lives Matter protests, he began penning opinion pieces in the *Wall Street Journal* decrying CEOs who push social justice agendas and big tech's censorship of Donald Trump following the January 6 riot. A television natural, he began appearing regularly on Fox News. "My interests started to slowly, gradually expand," he tells *Forbes*.

That set into motion what became not only the subject of his *New York Times* bestseller, *Woke Inc.*, and two sequels, but his political platform. In the book, which came out just months after he stepped down as Roivant's CEO, he dissected corporate America's hypocrisies, such as the way companies and their "managerial classes"

in January 2022, the company, which sells exchange-traded funds to investors, holds that ROI can be driven by forsaking ESG principles that may undermine shareholder value. Exxon-Mobil good, Disney bad, and investment firms that don't understand that are extra bad. "I built my asset management firm Strive to compete against the likes of BlackRock and State Street and Vanguard by standing up to the ESG cartel," he tells the Iowa buffet diners.

"Vivek, at the end of the day, is a salesman," says one former Roivant employee. Voters concur. "You've got me jazzed up," says a 61-year-old diner named Keith. "You're a salesman!"



T HERE'S A DOWNSIDE, of course, to seeing everything through an ROI prism—in politics, to telling your audience exactly what they want to hear: Sometimes it conflicts with what you stand for. A candidate for inclusion in *Profiles in Courage* Ramaswamy is not.

Go back to June 2020, during the tumult of the early pandemic and protests in the wake of George Floyd's murder. As CEO of Roivant he made Juneteenth an annual company holiday and praised it as an "important

**"I'M SURE HE'S RUNNING FOR PRESIDENT
BECAUSE HE THINKS HE'S GOING
TO BE A GREAT PRESIDENT,
BUT IT MUST HAVE CROSSED HIS MIND
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BRAND OR STRIVE'S VALUE."**

pretend to care about environmental and social justice issues to distract from their own shortcomings. In Ramaswamy's mind, all businesses should return to the Milton Friedman doctrine: Prioritize profits and shareholders, and let the rest take care of itself. "I process a lot of my own thinking through writing," he says.

In Strive, he has married his business and political interests. Founded

milestone" in U.S. history. But as a presidential candidate he has deemed Juneteenth "useless," prompting a fresh round of headlines.

Back at Roivant, he enjoyed a good working relationship with the FDA. When Covid-19 broke out, Ramaswamy had a direct line to FDA officials to discuss a treatment Roivant was developing, according to David Mitchell, Roivant's former head of regulatory



Waving the Flag

Ramaswamy set up his campaign headquarters in an old barn near his \$2 million mansion in Columbus, Ohio, to which he jets between campaign events. "I am genuinely worried that the American dream will not exist for our two sons and their generation," he says.

ry affairs. But in Iowa, he blasts pharma as "a corrupt disaster" and labels the FDA "corrupt." "Vivek is a smart businessman and is not going to make enemies of those regulating him," says Tricia McLaughlin, a spokesperson for Ramaswamy's campaign.

He writes in *Woke, Inc.* that he "consider[s] [himself] to be an environmentalist" and that he "care[s] a lot about the quality of the air people breathe," but as a presidential candidate he extols the virtues of coal and says the "climate change agenda" is a "hoax."

And an Ivy League princeling whom so many tout as a genius has begun to languish in the QAnon conspiracy sewer, including hinting that 9/11 was an inside job. (Ramaswamy later de-

nied having said so, but a tape then emerged showing that he had.) When a New Hampshire woman asked him what he would do about the "growing rampant pedophilia" and "perverts raping our children," Ramaswamy, without missing a beat, expressed his gratitude to *Sound of Freedom*, a movie about child sex trafficking that QAnon adherents have embraced, earning him a boisterous round of applause.

"The Vivek I thought I knew is not the public persona we see today," says Donald Berwick, who helped the Obama administration oversee Medicare and Medicaid and served on Roivant's advisory board for more than two years. "The rhetoric and conversations we pursued were about acting

in a socially responsible way. Either he changed his tune, or he always believed what he now says."



UNLIKE TRUMP, Ramaswamy is willing to finance his own campaign; he has put in \$16 million so far.

It's almost all booked as a campaign loan, but even as he has stepped back from the day-to-day operations of his businesses, it could also be seen as a marketing expense—and a good one at that. In the year since he sat on the *Forbes* stage and said he wasn't running for anything, Roivant's stock price has more than doubled. Strive has roughly doubled to over \$1 billion in assets under management, making it one of the fastest-growing small funds in America.

"I'm sure he's running for president because he thinks he's going to be a great president," says Don Fox, the former general counsel of the U.S. Office of Government Ethics, "but it must have crossed his mind too that it's not going to hurt his brand or Strive's value." McLaughlin, the political flack, terms this notion "moronic." Frericks, the Strive cofounder, is more realistic: "I do think he can expand the customer base" by running for president.

Meanwhile, many of the firm's backers are also supporting his campaign. "Strive was an unusual thing, and I wanted to support Vivek," says Schinazi, also an investor. "For me, it's about friendship. It's not about 'is it a good investment?' I'm not going to lose money with Vivek. I never have."

When it comes to this race, Ramaswamy seems the only sure winner. Barring a Trump withdrawal, he won't be the nominee next year. But on the political front, he's positioning himself to be taken seriously in four years. On the influence front, he has become extremely famous, which will lead to yet more speeches and awards and books and television hits. And with Strive, he has figured a way to deliver himself both returns and renown. That's a pretty solid ROI—with a whole lot of options ahead. **Q**

COLLABORATION FOR TRANSFORMATION: THE DEMOCRATIC REPUBLIC OF CONGO



After the Pope's visit, the Papal Nuncio gave his regards to President Tshisekedi

Leader Brings String of Successes to DRC

Since taking office in 2019, President Felix Tshisekedi has worked to transform the Democratic Republic of Congo. Beyond democratic reforms and rooting out corruption, the president has made strides in improving food security, building the nation's economy, and improving the climate for foreign investment. He has also brought in new funding to address gaps in infrastructure to improve the lives and livelihoods of Congolese.

Leadership in Democracy

In March 2023, Tshisekedi joined other world leaders in the second Summit for Democracy. The United States co-hosted the summit with the governments of Costa Rica, the Netherlands, Republic of Korea, and Republic of Zambia. The event reinforced the concept that a safer and fairer world grounded in democratic values is both a shared aspiration and a shared responsibility. In his closing remarks at the summit, U.S. Secretary of State Antony J. Blinken

commented on the participants' actions to protect civic and human rights, noting the DRC's passage of landmark legislation to recognize indigenous peoples' land and cultural rights.

Ethics and Transparency

In September, Tshisekedi brought presidential staff together for a workshop designed to strengthen values and anti-corruption measures within their ranks. Presentations revolved around integrity, ethics and morals. "Without integrity, it is impossible to fight corruption," said Beny-Laure Kamwiziku, Deputy Coordinator in charge of Prevention, Detection and Administration of the Agency for the Prevention and Fight against Corruption (APLC).

"Talking about corruption in the presidency is justified by the fact that it is the institution that sets the course and gives the impetus to the other institutions," added Jacques Kangudia, coordinator of the Innovation and Mentalities Change Unit.

The president's Chief of Staff, Guylain

Nyembo, summed up the workshop's purpose: "The Head of State has an incomparable will but needs hands, not just any, to effectively realize his vision. We will take care of all the recommendations and follow up on them."

Infrastructure and Economic Development

In addition to the local development initiative 145 Territories Program, Tshisekedi has launched a modernization program in the province of Sud-Ubangi, in northwest DRC. The project will improve four schools in Gemena along with buildings of the provincial government. Further improvement work will pave nearly 11 km of urban roads in Gemena. It will also build three bridges and carry out anti-erosion work in the provincial capital.

President Tshisekedi marked the September opening of the Saphir Ceramics factory in the pilot special economic zone of Maluku. The factory represents a capital investment of US \$100 million. It will employ 6,000 and will supply locally made tiles and earthenware for



Kinshasa and surrounding region. Set up with the goal of advancing DRC's economic independence, Maluku and other economic zones create jobs and reduce the flow of imports that weigh on the nation's trade balance. Five additional manufacturers have received approval to locate in the Maluku zone.

Another recent advance is DRC's receipt of financing for projects that seek to increase access to drinking water and sanitation in selected provinces and to enhance community livelihoods in forested regions. In June, the World Bank's Board of Executive Directors approved \$700 million for two such projects.

"These strategic investments will boost human capital and generate new economic opportunities and jobs in some of the areas that need it the most by taking holistic approaches to development challenges," said Albert Zeufack, World Bank Country Director for the DRC. Current construction projects in Kinshasa include the Finance Center, now underway; a 20,000-seat sports arena; and a cable transport line that will enhance the city's transportation infrastructure. All are projects of Turkish company Milvest A.Ş., a brand of Miller Holding.

The Finance Center in Kinshasa complex consists of five buildings now under construction. It will house the Finance Center, the Congress Center and a 5-star hotel. The property is located in the Gombe district in the space between the Ministry of Foreign Affairs and the Athenaeum of Gombe.

basketball, handball and netball competitions throughout the region.

In June 2023, DRC signed a procurement and construction engineering contract with Milvest for the construction of a cable car line in Kinshasa. Guy Loando Mboyo, Minister of Territorial Planning, called the project an important milestone in the DRC's ongoing efforts to improve transportation infrastructure in the capital.

Champion of Regional Development Goals

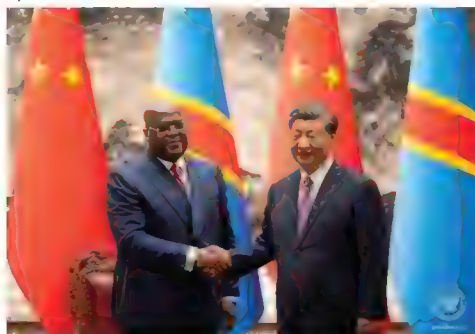
As chair of the Southern African Development Community (SADC), President Félix Tshisekedi has voiced support for the organization's goals, including sustainable development and deeper regional integration. When his term began last year, he affirmed the DRC's commitment to the SADC's Vision 2050 for "a peaceful, inclusive, competitive, middle-to-high income industrialized region, where all citizens enjoy sustainable economic well-being, justice and freedom."

In April 2023, Minister of Finance Nicolas Kazadi and Minister of Infrastructure and Public Works Alexis Gisaro Muvuni participated in a commercial contract signing ceremony to launch the Kinshasa Arena, another Milvest project. With a capacity of 20,000, the arena will be home to

In May 2023, Tshisekedi addressed the SADC Secretariat and highlighted the organization's recent strides. Those include the signing of over 33 protocols for cooperation in trade, investment and finance, infrastructure, industrial development agriculture, food security and natural resources, social and human development, and peace and security.

The region has enormous potential for trade, investment and economic growth, Tshisekedi said. "As a united community with 16 member states, with a combined GDP of about US\$720 billion, and a combined population of over 360 million people, of which 74.6 are youths, we have a huge market for investment and economic development."

In his role as chair, Tshisekedi has called on the region to remain united against threats to peace and security which threaten SADC's efforts for integration, development and prosperity.



China seeks to build stronger relations with the DRC



President Tshisekedi and First Lady Dénise Nyakeru Tshisekedi celebrate her EXCELLENCIA program for college-bound students.

PRIME MINISTER SAMA LUKONDE

Since taking office in February 2021, Prime Minister Jean-Michel Sama Lukonde has accomplished a series of major milestones for the nation, taking his cue from the leadership and vision of DRC President Tshisekedi.

Those successes began with US \$1.5 billion Extended Credit Facility (ECF) with the IMF for the budget and foreign exchange reserves. He has increased women's representation in the government by nominating 15 women in his cabinet out of 56 members, the highest number ever achieved in DRC's political history. Lukonde has also worked to deploy financial aid for women, to facilitate access to agricultural land and finance, access to microcredit, to foster women's entrepreneurship, fight discrimination, and improve educational opportunities.

Now, the prime minister is focused on leading President Tshisekedi's large-scale Local Development Program (PDL), a large-scale project adopted by the Council of Ministers in December 2021. With a budget of US \$1.6 billion, PDL-145 T aims to boost local economies, develop basic infrastructure and promote the emergence of Congolese



territories.

The project is the result of collaboration between the Congolese government

governance, and the development of an information-sharing system. Centered on the needs of each local population, the development approach is a major step forward."

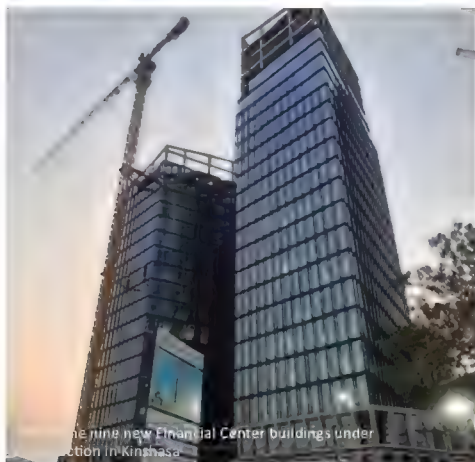
With a budget of \$1.6 billion, the DRC's local development program is making significant progress.

With a budget of US \$10 million allocated for each territory, the scale of the investment is significant for the DRC, which has not undertaken a project this massive since its independence in 1960. When fully implemented, PDL-145 will significantly

improve living conditions and reduce inequalities between rural and urban areas.

So far, nearly 50% of the 1,210 primary schools, 788 health centers and 145 administrative buildings planned in the first phase of the project are completed or near completion.

Transportation routes are a vital part of the nation's infrastructure getting a major overhaul through the program. In July, on behalf of Prime Minister Sama Lukonde, Cabinet Director Paul Gaspard Ngodankoy Nkoy-ea-Loongya visited a model bridge that will be deployed to 44 locations. The Roads Office has signed a contract with a French company for the construction of metal bridges, he reported. The first batch has already arrived, and at completion, each territory will have at least one bridge.



and several implementing agencies, including the United Nations Development Program (UNDP), the Central Implementation Office and Coordination (BCECO) and the Financing Implementation Unit for Fragile States (CFEF). Each agency is responsible for implementing the project in a number of territories.

"PDL-145 T focuses on four main areas of intervention," said Lukonde. "It includes infrastructure, revitalization of local economies, the strengthening of local

FINANCE MINISTER NICOLAS KAZADI



In June, Kinshasa hosted the DRC's Country Risk Conference for the second year in a row to guide investors in examining the country's strengths and weaknesses. The goal is to diversify the economy with a focus on reforms and greater transparency so that it becomes more attractive for international investment.

One topic of discussion was recent improvement in the DRC's credit rating, which rose from 5.1 to 5.5 between 2022 and 2023, according to the pan-African rating agency Bloomfield. The sub-Saharan country has one of the highest growth rates in the region. The DRC gained 40 basis points in the space of a year, which is helping to boost the nation's economic profile. Finance Minister Nicolas Kazadi called the conference "an opportunity for dialogue between all the stakeholders, first and foremost the private sector. Public funding will not bring all the solutions to our problems and it is obvious that we need to consider also private funding."

Renewable and Sustainable Solutions

DRC's natural wealth offers opportunities to alleviate poverty and contribute to the world's transition to renewable energy.

During the 2023 IMF-World Bank Spring Meetings, IMF African Department head Abebe Aemro Selassie and Kazadi discussed the country's pivotal

“

Nicolas Kazadi has successfully handled negotiations with the International Monetary Fund (IMF) and led reforms to strengthen the nation's financial standing.

“

role in the fight for climate preservation and sustainable development, during the Governor Talks podcast series hosted by the IMF.

"We are now working to raise funding on the carbon market, even if the price that is given for Africa is still very low," Kazadi said. "We need to build capacity to be able to show that the carbon sequestration we are providing can be paid at a fair value."

While the traditional mining sector continues strong, Kazadi acknowledges that it will take diversification in other industries to reduce

poverty in the DRC. Local transformation is needed to create more jobs – the mining sector is not enough, so we are working on that."

In May 2023, an IMF team met with Kazadi and other senior leaders for a review of the DRC's economic reform program. It was the first time in several decades that the DRC has successfully completed four reviews with the IMF since the institution resumed the program with the Congolese government. "The economy is showing resilience, with real GDP growth at 8.9 percent in 2022 and projected to 6.8 percent in 2023," the team reported, "although macroeconomic imbalances are fueling inflationary pressures."

Improving the business climate remains key for economic diversification and private sector-led growth, the report continued, along with work on an anti-corruption framework, the tax system, and mining sector transparency. Kazadi affirms that progress has been made during the Tshisekedi administration, including the publication of all mining contracts, along with other reforms to improve governance and transparency.



President Tshisekedi visits one of the companies built through foreign investment

MINISTER OF COMMUNICATION & MEDIA

PATRICK MUYAYA

Media Reforms Signal Positive Change

Patrick Muyaya, Minister of Communication and Media, has been able to realize the vision of President Tshisekedi by laying a solid foundation on which to build the new media ecosystem of the Democratic Republic of Congo.

A 27-year-old press law was revised in April 2023, based on the recommendation of a national media convention held in 2022. The new law is more protective of journalists and better adapted to the evolution of New Information and Communication Technologies (NICTs). "These efforts have enabled the DRC to gain 30 places worldwide in the Reports Sans Frontière (RSF) ranking," Muyaya notes. The law also gives journalists access to non-classified information of public interest that does not involve state security or national defense.

Restoring Credibility

The appointment of new managers and the ongoing modernization of RTNC (the digital platform of the Congolese National Television) and Agence Congolaise de Presse (ACP) are beginning to give positive signals of change in these public media.



The DRC government built numerous multi-sport infrastructures for a new generation. The Francophone games held in Kinshasa this summer were a big challenge and success.



Minister of Communication & Media, Patrick Muyaya

"There has also been a recovery in the prestige and credibility of public

and journalist for a Kinshasa television channel and served as president of its board of directors.

“

Under the leadership of the President Tshisekedi, Patrick Muyaya leads reforms and holds the media front against Rwandan aggression.

“

discourse in an environment polluted by fake news, which has encouraged transparency and regularity in the accountability of government action," says Muyaya.

The Communication and Media Minister has worked to ensure successful media coverage of major events such as the visit of Pope Francis in January 2023 and the Jeux de la Francophonie, a sports and cultural event held every four years in the DRC. The country's international visibility was heightened through these events, and a new narrative of the country is emerging.

Muyaya brings solid credentials to his position. He studied communications at the University of Kinshasa, earning a degree in journalism in 2009. In 2014, he received a certificate in democratic management in fragile states through the International Republican Institute's Rising Stars program. He has worked as a reporter

Strong Stance

"Media pluralism is a reality in the DRC," the RSF reports. "But, in the eastern province of Nord-Kivu, the media have been badly affected by fighting between the army and M23 rebels." In response to the Rwandan aggression under the guise of the M23, Muyaya has risen to the challenge by leading the media front with an iron fist. As a result, the entire campaign of manipulation orchestrated by Rwanda has come up against the Government's strategic communication efforts at both national and international level.

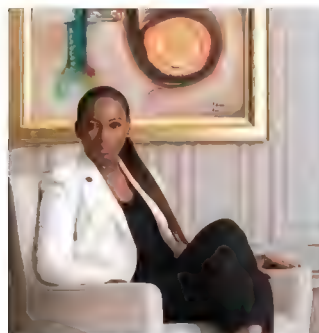
PRIVATE SECTOR SUCCESSES

Jean Lengo-Dia-Ndinga – Business Visionary

The Ledy Group is fulfilling the vision of its founder and leader, Jean Lengo-Dia-Ndinga: opening the DRC to the world.

Lengo's early ventures established international trade between Kinshasa and Europe, a breakthrough accomplishment in 1974. His business expanded and diversified over the next several decades. Now, the Ledy Group, founded in 1985, is a multi-sector constellation of 17 companies and activities spread over 7 major sectors, opening doors to opportunity on an international scale.

Ledy Group companies are engaged in transportation, trade in consumer products, hotels, foundries, logging, agriculture, oil and mining (mainly copper and cobalt).



Nicole Sulu – Changing the Status Quo

For Nicole Sulu, CEO of the Sulu Group, freeing the region's wealth requires reimagining ways of doing business among the Congolese and their regional neighbors. In 2014, she founded Makutano, the Fair Business Network for Africa Empowerment, as the first independent Congolese "Think and Do Tank."

Sulu saw that the economic ecosystem was fragmented and resolved to create opportunities for dialogue around issues of shared concern. Participants collaborate to develop concrete solutions to bridge genre, commercial and geographic boundaries.

The annual Makutano forum has become a premier business event involving heads of state and investors. This year's forum brought together more than 600 key figures and changemakers of the region. "Helping Africans learn to do business together is key," Sulu says.

Eric Kasongo - Banker Turned Entrepreneur

The DRC native Eric Kasongo studied international commerce in Washington, D.C. He worked for several years as a financial specialist and mortgage banker. He returned to his native country and continued his career as banker.

With a strong desire to become independent, in 2015 Kasongo created Securex, a business advisory and consulting firm, to leverage his network in Eastern and Central Africa. He has landed contracts in aviation, logistics and infrastructure, and Securex projects have led to the creation of 100 jobs.

Also in 2015, Kasongo invested in Emotive, a movie financial services firm. "I believe in the talents of the Congolese," says Kasongo. "The vision of Emotive is to allow the movie industry to move from a potential sector of growth to a real catalyzer of the Congolese economy."



Ika De Jong – Influencer and Author

Ika De Jong, CEO of IDJ Consulting and independent journalist, is the co-creator of the media platform GLTV1.

An active member of Divo International, she brings a special digital touch to the group's digital, television and radio activities.

De Jong also serves as president of the IDJ Foundation. With her mastery of five languages, she brings cultural richness to her many roles. In August 2023, she published her life story, "J'y ai cru," ("I believed").

The Forbes

40



(Clockwise from left)
Jack Ma, Warren Buffett,
Oprah Winfrey, Michael Jordan,
George Lucas, George Lucas,
Elon Musk, Jeff Bezos,
Mark Zuckerberg,
Melinda French Gates



► **AMERICA'S SUPERRICH ARE RIDING HIGH AGAIN.** After losing a collective \$500 billion last year, the nation's 400 wealthiest people have gained it all back. This elite set is now worth \$4.5 trillion in aggregate, tying a record set in 2021, and it takes \$2.9 billion to make The Forbes 400, another tied record. More than half the gains came from rebounding technology stocks. Just four tech moguls—Elison, Zuckerberg, Huang and Dell—account for 30% of the entire list's jump. One name you won't see: Donald Trump. The ex-president's fortune fell 19% to \$2.6 billion.

ILLUSTRATION BY JOE MORSE FOR FORBES

THE LIST
THE RICHEST PEOPLE IN AMERICA





Larry Ellison

1. ELON MUSK

\$251 billion • SELF-MADE SCORE: ③

SOURCE: Tesla, SpaceX

AGE: 52 • RESIDENCE: Austin, TX

PHILANTHROPY SCORE: ♥

Far and away the richest person in America—and the world—for the second year in a row, Musk has spent much of the past 12 months picking fights. His targets have included Ukrainian president Volodymyr Zelensky (over his proposed peace plan to end the war with Russia) and the foreign minister of Taiwan (over whether the territory should be considered part of China). He challenged Mark Zuckerberg (No. 8) to a cage match in June, two weeks before Zuck debuted Threads, Meta's answer to Musk's X (né Twitter). In September, Walter Isaacson's bombshell biography of the mercurial mogul revealed fresh details on Musk's involvement in the war in Ukraine, as well as the existence of a third child with his on-and-off partner, musician Grimes. That makes 11 kids in all. Despite the noise and an 8% drop in Tesla stock, Musk is just as wealthy as he was last year, after SpaceX hit a \$150 billion valuation in a June tender offer and he got a fresh set of Tesla stock options, worth \$5.7 billion, in January.

2. JEFF BEZOS

\$161 billion • SELF-MADE SCORE: ③

SOURCE: Amazon

AGE: 59 • RESIDENCE: Medina, WA

PHILANTHROPY SCORE: ♥♥

In May, the Amazon founder and executive chair reportedly got engaged to Lauren Sánchez, a former L.A. TV anchor whose apparent likeness he had carved onto the prow of his new 417-foot sailing yacht, *Koru*.

Amazon's share price is rebounding, thanks in part to higher profits and layoffs amid cost-cutting measures. The stock rally pushed Bezos' net worth up \$10 billion from a year ago, despite his giving away stock worth \$700 million, mainly to combat homelessness and climate change. Most recently, he pledged \$100 million to wildfire relief related efforts in Maui, where he owns a home.

3. LARRY ELLISON

\$158 billion • SELF-MADE SCORE: ③

SOURCE: Oracle

AGE: 79 • RESIDENCE: Woodside, CA

PHILANTHROPY SCORE: ♥

In absolute terms, no one in America has gotten richer this year than Ellison, who is \$57 billion better off largely thanks to the generative AI craze helping pump up shares of his software firm, Oracle. In June, Ellison—the company's cofounder, chief technology officer and 40% shareholder—took the opportunity to cash out \$640 million (pretax) worth of stock options, the first time he has sold shares in two years. His \$1 billion 2022 investment in Musk's X, however, isn't faring so well. The social media giant is worth an estimated two-thirds less than when Musk took it over last October.

4. WARREN BUFFETT

\$121 billion • SELF-MADE SCORE: ③

SOURCE: Berkshire Hathaway

AGE: 93 • RESIDENCE: Omaha, NE

PHILANTHROPY SCORE: ♥♥♥♥♥

It was a happy birthday for the investing legend, who rang in his 93rd in late August with shares of Berkshire Hathaway at all-time highs. Buoyed by a big bet on Apple,

which now makes up more than half of Berkshire's equity portfolio, the stock is up 32% since last year's ranking. That has helped make Buffett, whose \$55 billion in lifetime giving makes him the most charitable American of all time, \$24 billion richer despite his donation of a further \$4.6 billion to the Gates Foundation and other charities this summer.

5. LARRY PAGE

\$114 billion • SELF-MADE SCORE: ③

SOURCE: Google

AGE: 50 • RESIDENCE: Palo Alto, CA

PHILANTHROPY SCORE: ♥

Google's 25th anniversary year was a lucrative one for its cofounder and former CEO, who is \$21 billion richer this year thanks to a 26% jump in the shares of Google parent company Alphabet. In May, the low-profile Page attracted some unwanted attention, joining fellow cofounder Sergey Brin (No. 7) as the target of subpoenas from the U.S. Virgin Islands over an alleged connection with Jeffrey Epstein, about which they have not commented.

6. BILL GATES

\$111 billion • SELF-MADE SCORE: ③

SOURCE: Microsoft

AGE: 67 • RESIDENCE: Medina, WA

PHILANTHROPY SCORE: ♥♥♥♥♥

The Microsoft cofounder is all-in on AI, penning a letter in March calling the technology "as revolutionary as mobile phones and the internet." In June, Gates joined a \$1.3 billion funding round for AI chatbot startup Inflection.ai. He personally invested alongside Microsoft, which has been benefiting from its own early bets on artificial intelligence, including an estimated 49% stake in ChatGPT developer OpenAI. Shareholders are bullish, too, driving up Microsoft stock 31% over the past year. Gates became a first-time grandfather in March.

7. SERGEY BRIN

\$110 billion • SELF-MADE SCORE: ③

SOURCE: Google

AGE: 50 • RESIDENCE: Los Altos, CA

PHILANTHROPY SCORE: ♥♥

Like Gates, Brin is turning his focus to artificial intelligence. The Google cofounder, who stepped down as president of parent company Alphabet in 2019 but remains on the board, has returned to the tech giant in his most hands-on role in years, working on Google's AI efforts. Alphabet shares have jumped 27% since Google announced its suite of AI tools in May.

8. MARK ZUCKERBERG

\$106 billion • SELF-MADE SCORE: ③

SOURCE: Facebook

AGE: 39 • RESIDENCE: Palo Alto, CA

PHILANTHROPY SCORE: ♥♥

After a terrible 2022 for Facebook parent Meta—with a collapsing share price, crumbling profits and significant fourth-quarter layoffs—the stock has done a U-turn that boosted Zuckerberg's fortune by \$48.3 billion this year (see "Zuck Grows Up," page 68).

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54. LAURENE POWELL JOBS & FAMILY

\$13.4 billion ♦ • SELF-MADE SCORE: ④
 SOURCE: Apple, Disney
 AGE: 59 • RESIDENCE: Palo Alto, CA
 PHILANTHROPY SCORE: ♥♥

55. SHAHID KHAN

\$12.2 billion ♦ • SELF-MADE SCORE: ⑩
 SOURCE: Auto parts
 AGE: 73 • RESIDENCE: Naples, FL
 PHILANTHROPY SCORE: ♥

55. DUSTIN MOSKOVITZ

\$12.2 billion ♦ • SELF-MADE SCORE: ③
 SOURCE: Facebook
 AGE: 39 • RESIDENCE: San Francisco, CA
 PHILANTHROPY SCORE: ♥♥♥♥

57. LEON BLACK

\$12 billion ♦ • SELF-MADE SCORE: ③
 SOURCE: Private equity
 AGE: 72 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: ♥♥

58. ISRAEL ENGLANDER

\$11.8 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Hedge funds
 AGE: 75 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: ♥



No. 61

Michael Rubin

Fanatics, the sports merch outfit he acquired in 2011, sold \$5 billion worth of jerseys, ball caps and other apparel and collectibles last year. Investors are cheering, pumping an additional \$700 million into the business at a \$31 billion valuation in December as CEO Rubin moves it toward an IPO. Next up: trading cards and gambling. He bought Topps in 2022 and rolled out a mobile sportsbook in four states this summer.

58. CHRISTY WALTON

\$11.8 billion ♦ • SELF-MADE SCORE: ①
 SOURCE: Walmart
 AGE: 74 • RESIDENCE: Jackson, WY
 PHILANTHROPY SCORE: ♥

60. DONALD NEWHOUSE

\$11.6 billion ♦ • SELF-MADE SCORE: ⑥
 SOURCE: Media
 AGE: 94 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: ♥♥

61. MICHAEL RUBIN

\$11.5 billion ♦ • SELF-MADE SCORE: ③
 SOURCE: Online retail
 AGE: 51 • RESIDENCE: Bryn Mawr, PA
 PHILANTHROPY SCORE: ♥

62. ROBERT KRAFT

\$11.1 billion ♦ • SELF-MADE SCORE: ③
 SOURCE: Manufacturing, New England Patriots
 AGE: 82 • RESIDENCE: Brookline, MA
 PHILANTHROPY SCORE: ♥♥♥

63. JOHN DOERR

\$10.7 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Venture capital
 AGE: 72 • RESIDENCE: Woodside, CA
 PHILANTHROPY SCORE: ♥♥

64. EDWARD JOHNSON IV

\$10.6 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Fidelity
 AGE: 58 • RESIDENCE: Boston, MA
 PHILANTHROPY SCORE: ♥♥

65. ERIC SMIDT

\$10.5 billion ♦ • SELF-MADE SCORE: ⑩
 SOURCE: Hardware stores
 AGE: 63 • RESIDENCE: Beverly Hills, CA
 PHILANTHROPY SCORE: ♥

66. MELINDA FRENCH GATES

\$10.3 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Microsoft
 AGE: 59 • RESIDENCE: Medina, WA
 PHILANTHROPY SCORE: ♥♥♥♥♥

67. JUDY LOVE & FAMILY

\$10.2 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Gas stations
 AGE: 86 • RESIDENCE: Oklahoma City, OK
 PHILANTHROPY SCORE: ♥

67. DAVID SUN

\$10.2 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Computer hardware
 AGE: 71 • RESIDENCE: Irvine, CA
 PHILANTHROPY SCORE: ♥

67. JOHN TU

\$10.2 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Computer hardware
 AGE: 82 • RESIDENCE: Rolling Hills, CA
 PHILANTHROPY SCORE: ♥

70. STEPHEN ROSS

\$10.1 billion ♦ • SELF-MADE SCORE: ③
 SOURCE: Real estate
 AGE: 83 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: ♥♥

70. PATRICK RYAN

\$10.1 billion ♦ • SELF-MADE SCORE: ③
 SOURCE: Insurance
 AGE: 86 • RESIDENCE: Winnetka, IL
 PHILANTHROPY SCORE: ♥♥

72. BRIAN CHESKY

\$10 billion ♦ • SELF-MADE SCORE: ③
 SOURCE: Airbnb
 AGE: 42 • RESIDENCE: San Francisco, CA
 PHILANTHROPY SCORE: ♥

72. JOHN MALONE

\$10 billion ♦ • SELF-MADE SCORE: ③
 SOURCE: Cable television
 AGE: 82 • RESIDENCE: Elizabeth, CO
 PHILANTHROPY SCORE: ♥♥♥

72. HENRY SAMUELI

\$10 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Semiconductors
 AGE: 69 • RESIDENCE: Newport Beach, CA
 PHILANTHROPY SCORE: ♥♥

75. CARL COOK

\$9.8 billion ♦ • SELF-MADE SCORE: ③
 SOURCE: Medical devices
 AGE: 61 • RESIDENCE: Bloomington, IN
 PHILANTHROPY SCORE: N/A

76. BUBBA CATHY

\$9.7 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Chick-fil-A
 AGE: 69 • RESIDENCE: Atlanta, GA
 PHILANTHROPY SCORE: ♥

76. DAN CATHY

\$9.7 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Chick-fil-A
 AGE: 70 • RESIDENCE: Atlanta, GA
 PHILANTHROPY SCORE: ♥

76. TRUDY CATHY WHITE

\$9.7 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Chick-fil-A
 AGE: 67 • RESIDENCE: Hampton, GA
 PHILANTHROPY SCORE: ♥

76. MARJIE MARS

\$9.7 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Candy, pet food
 AGE: 59 • RESIDENCE: Los Angeles, CA
 PHILANTHROPY SCORE: N/A

76. PAMELA MARS

\$9.7 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Candy, pet food
 AGE: 63 • RESIDENCE: Alexandria, VA
 PHILANTHROPY SCORE: N/A

76. VALERIE MARS

\$9.7 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Candy, pet food
 AGE: 64 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: N/A

76. VICTORIA MARS

\$9.7 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Candy, pet food
 AGE: 66 • RESIDENCE: Philadelphia, PA
 PHILANTHROPY SCORE: N/A

76. GEORGE ROBERTS

\$9.7 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Private equity
 AGE: 90 • RESIDENCE: Atherton, CA
 PHILANTHROPY SCORE: ♥♥♥

76. HARRY STINE

\$9.7 billion ♦ • SELF-MADE SCORE: ⑩
 SOURCE: Agriculture
 AGE: 81 • RESIDENCE: Adel, IA
 PHILANTHROPY SCORE: ♥

85. MICHAEL KIM

\$9.6 billion ♦ • SELF-MADE SCORE: ②
 SOURCE: Private equity
 AGE: 60 • RESIDENCE: Seoul, South Korea
 PHILANTHROPY SCORE: ♥

86. NATHAN BLECHARCZYK

\$9.5 billion ♦ • SELF-MADE SCORE: ③
 SOURCE: Airbnb
 AGE: 40 • RESIDENCE: San Francisco, CA
 PHILANTHROPY SCORE: ♥

FORBES CUSTOM PROFILE: **VODACOM**

VODACOM CONGO

EXPANDING ACCESS TO MOBILE SERVICES



Vodacom Congo (DRC) S.A: Expanding Access to Mobile Services

A key player in the telecom industry, Vodacom Congo is connecting the unconnected across the Democratic Republic of Congo. To date, its 2G coverage covers 58% percent of the national territory whilst its 3G coverage stands at 38% of national territory. The company is accelerating the expansion of its 4G coverage, which now accounts for 34% of national coverage. Its mobile money subsidiary, Vodacash (M-Pesa), has over 5 million active subscribers in the DRC.

Serving even the most remote areas through state-of-the-art technology, Vodacom Congo is working to reduce the infrastructure gap by connecting towns and villages. "We are establishing sites across the country to facilitate connectivity to people who need it, whether they are in rural, remote or urban areas," says Khalil Al Ameriani, Vodacom Congo (DRC) Chief Executive Officer.

Growth Challenges and Achievements

Vodacom Congo is facing its biggest decade of transformation since its inception, says Al Ameriani. "Internally, we are going through fundamental changes in the way we run our networks and operations as these become more software- and data-driven. Externally, we are facing rapidly evolving customer demands as their businesses and lives also adapt to a more software-centric world."

Their mobile money subsidiary, Vodacash (M-Pesa) has been instrumental in driving financial inclusion in DRC for the past 11 years. It has experienced exponential growth which has propelled it to an early majority stage. It already serves 27% of the target population, with a 60% market share in revenue and 54% market share in terms of subscribers. The platform processes more than 30% of GDP with a growth rate of 30% year on year.

“

Now in its 21st year, with 21 million customers, Vodacom Congo company is transforming lives through digital inclusion.

“

Vodacom Congo works to improve the business climate and promote entrepreneurship by partnering with the government to provide tech solutions as a catalyst for growth. It promotes and contributes to the development of information and communications technology through its network infrastructure, cloud technology and digital innovations that meet the needs of the government and the Congolese people.

Commitment to Corporate Responsibility

"Delivering on our promise 'Together we can,' we strive to stay true to our purpose of connecting for a better future and creating employment opportunities for Congolese," Al Ameriani says.

The company is active in the nation's development, particularly in digitalizing free education via their educational platform named VODAEDUC, free access to information through CONNECTU, pioneering EXETAT National exams results e-publication and driving financial inclusion through M-Pesa.

"In spite of all our successes and constraints, Vodacom Congo has maintained its commitment to corporate responsibility through its Foundation, especially to disadvantaged communities," he adds. "From welfare to education, social and economic empowerment, inclusion for all,



Pamela Ilunga

Deputy CEO, Vodacom Congo



Khalil Al Ameriani
CEO of Vodacom Congo

environment, medical causes, music, sports and arts, Vodacom Congo has touched almost every facet of society."

As it upgrades its technology, Vodacom Congo is working to lower its carbon footprint. The company abides by international standards for a sustainable business and at the same time contributes to the fight against climate change.

"In today's highly digital and inclusion driven society; we believe that opportunities for a better digital future should be accessible to all, and that business success shouldn't come at the expense of the environment," says Pamela Ilunga, Deputy Chief Executive Officer Vodacom Congo and President of the Vodacom Foundation.

Top Employer

Since 2002, Vodacom Congo has spread its operations across the DRC – Africa's second-largest country – with representation in all 26 provinces. It was named Top Employer by the Top Employer Institute seven times in a row. The company employs more than 1,100 Congolese directly and has created more than 500,000 indirect jobs.

Highly focused on its employees' growth, Vodacom Congo ensures that employees are recognized, rewarded

"We continuously seek partners to expand coverage in the remote provinces."

- CEO Khalil Al Ameriani

and supported. Equal opportunity exists at all levels. Through its diversity program, Vodacom Congo reaches out to the best talent around the globe and from all backgrounds (telecommunications, IT, finance, fast-moving consumer goods (FMCG), legal, commerce, oil and gas, management and more) to bring expertise and innovation to the telecommunications sphere in the DRC. Vodacom Congo's management team is nearly 25% female, with women making up 11% of its board of directors. The company's gradual objective is to reach 30% in executive management.

Partnership Opportunities

The telecom sector is the second largest contributor to DRC's national budget after the mining sector. In 2022, the country's telecom market size was valued at \$1.6 billion in 2022 and is expected to grow at a compound annual growth rate of more than 21% during the forecast period 2022-2027, according www.globaldata.com. Vodacom Congo contributes up to 2.7% of

GDP to the national budget and covers 40% of the tax contribution of the telecom sector.

The combined coverage by all mobile operators in the DRC is barely 50%, so there is still a lot to be done, says Al Ameriani. "Vodacom Congo is committed to connecting DRC for a better future through empowering a digital society, along with planet sustainability and inclusion."

To accomplish this mission, Vodacom Congo is seeking partners to help reduce the infrastructure gap, offer more connectivity solutions, provide affordable devices to connect more Congolese, advance payment, and financial solutions, and support digital skills in the areas of health, agriculture, and education.

"We believe there is so much opportunity in harnessing the power of technology to drive transformational change and we are ready to work closely with partners to deliver innovative solutions that enhance our ability to help those who need it most," says Patricia Katshabala, Vodacom's Executive Head of External Affairs.



121. CHARLES BUTT

\$7.6 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Supermarkets
 AGE: 85 • RESIDENCE: San Antonio, TX
 PHILANTHROPY SCORE: ♥♥♥♥

121. DAVID STEWARD

\$7.6 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: IT provider
 AGE: 72 • RESIDENCE: St. Louis, MO
 PHILANTHROPY SCORE: ♥♥

123. JEFF GREENE 🌱

\$7.5 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Real estate, investments
 AGE: 68 • RESIDENCE: Palm Beach, FL
 PHILANTHROPY SCORE: ♥

123. TAMARA GUSTAVSON

\$7.5 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Self storage
 AGE: 61 • RESIDENCE: Lexington, KY
 PHILANTHROPY SCORE: ♥

123. RICHARD KINDER 🌱

\$7.5 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Pipelines
 AGE: 78 • RESIDENCE: Houston, TX
 PHILANTHROPY SCORE: ♥♥♥

123. RALPH LAUREN

\$7.5 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Apparel
 AGE: 83 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: ♥

123. ROBERT ROWLING

\$7.5 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Hotels, investments
 AGE: 70 • RESIDENCE: Dallas, TX
 PHILANTHROPY SCORE: ♥♥

128. DANNIE AVARA

\$7.4 billion ▲ • SELF-MADE SCORE: ①
 SOURCE: Pipelines
 AGE: 59 • RESIDENCE: Houston, TX
 PHILANTHROPY SCORE: ♥

128. SCOTT DUNCAN

\$7.4 billion ▲ • SELF-MADE SCORE: ①
 SOURCE: Pipelines
 AGE: 40 • RESIDENCE: Houston, TX
 PHILANTHROPY SCORE: ♥

128. JUDY FAULKNER 🌱

\$7.4 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Healthcare software
 AGE: 80 • RESIDENCE: Madison, WI
 PHILANTHROPY SCORE: ♥♥

128. MILANE FRANTZ

\$7.4 billion ▲ • SELF-MADE SCORE: ①
 SOURCE: Pipelines
 AGE: 54 • RESIDENCE: Houston, TX
 PHILANTHROPY SCORE: ♥

128. DON HANKEY

\$7.4 billion ▲ • SELF-MADE SCORE: ②
 SOURCE: Auto loans
 AGE: 80 • RESIDENCE: Malibu, CA
 PHILANTHROPY SCORE: ♥

128. KEN LANGONE 🌱

\$7.4 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Investments
 AGE: 88 • RESIDENCE: Sands Point, NY
 PHILANTHROPY SCORE: ♥♥♥

128. EDWARD ROSKI JR.

\$7.4 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Real estate
 AGE: 84 • RESIDENCE: Los Angeles, CA
 PHILANTHROPY SCORE: ♥

128. RONDA STRYKER

\$7.4 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Medical equipment
 AGE: 69 • RESIDENCE: Portage, MI
 PHILANTHROPY SCORE: ♥♥♥

128. RANDA DUNCAN WILLIAMS

\$7.4 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Pipelines
 AGE: 62 • RESIDENCE: Houston, TX
 PHILANTHROPY SCORE: ♥

137. ARTHUR DANTCHIK

\$7.3 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Trading, investments
 AGE: 65 • RESIDENCE: Gladwyne, PA
 PHILANTHROPY SCORE: ♥♥

137. JOHN OVERDECK

\$7.3 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Hedge funds
 AGE: 53 • RESIDENCE: Millburn, NJ
 PHILANTHROPY SCORE: ♥♥

137. DAVID SIEGEL

\$7.3 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Hedge funds
 AGE: 62 • RESIDENCE: Scarsdale, NY
 PHILANTHROPY SCORE: ♥♥

140. BERT BEVERIDGE

\$7.2 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Vodka
 AGE: 61 • RESIDENCE: Austin, TX
 PHILANTHROPY SCORE: ♥

140. STEPHEN BISCIOTTI

\$7.2 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Staffing, Baltimore Ravens
 AGE: 63 • RESIDENCE: Hobe Sound, FL
 PHILANTHROPY SCORE: ♥♥

140. RAY LEE HUNT

\$7.2 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Oil, real estate
 AGE: 80 • RESIDENCE: Dallas, TX
 PHILANTHROPY SCORE: ♥♥

140. ROBERT RICH JR.

\$7.2 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Frozen foods
 AGE: 82 • RESIDENCE: Islamorada, FL
 PHILANTHROPY SCORE: ♥

144. KEN FISHER

\$7.1 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Money management
 AGE: 72 • RESIDENCE: Dallas, TX
 PHILANTHROPY SCORE: ♥

145. EYTHE BROAD & FAMILY

\$7 billion ▲ • SELF-MADE SCORE: ①
 SOURCE: Homebuilding, insurance
 AGE: 87 • RESIDENCE: Los Angeles, CA
 PHILANTHROPY SCORE: ♥♥♥♥♥

145. DENNIS WASHINGTON

\$7 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Construction, mining
 AGE: 89 • RESIDENCE: Missoula, MT
 PHILANTHROPY SCORE: ♥♥♥

147. MICKY ARISON

\$6.9 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Carnival Cruises
 AGE: 74 • RESIDENCE: Bal Harbour, FL
 PHILANTHROPY SCORE: ♥♥

147. ERNEST GARCIA II

\$6.9 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Used cars
 AGE: 66 • RESIDENCE: Tempe, AZ
 PHILANTHROPY SCORE: ♥

147. JOSH HARRIS

\$6.9 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Private equity
 AGE: 58 • RESIDENCE: Miami, FL
 PHILANTHROPY SCORE: ♥♥

147. CARL ICAHN 🌱

\$6.9 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Investments
 AGE: 87 • RESIDENCE: Indian Creek, FL
 PHILANTHROPY SCORE: ♥♥

147. LEO KOGUAN

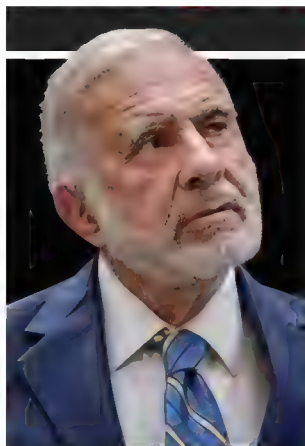
\$6.9 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: IT provider
 AGE: 68 • RESIDENCE: Singapore
 PHILANTHROPY SCORE: ♥♥

147. DOUGLAS LEONE

\$6.9 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Venture capital
 AGE: 66 • RESIDENCE: Atherton, CA
 PHILANTHROPY SCORE: ♥♥

153. JONATHAN GRAY

\$6.8 billion ▲ • SELF-MADE SCORE: ③
 SOURCE: Investments
 AGE: 53 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: ♥♥



No. 147

Carl Icahn

The Wall Street legend is \$10.8 billion poorer than last year—a 61% drop, more than anyone else on The Forbes 400—after short seller Hindenburg Research set its sights on him in May, publishing a report claiming his Icahn Enterprises conglomerate was “significantly overvalued” and uses a “Ponzi-like economic structure.” The Justice Department is reportedly investigating. Icahn has dismissed the claims as “self-serving” and “misleading.”

153. TERRENCE PEGULA

\$6.8 billion • SELF-MADE SCORE:

SOURCE: Natural gas

AGE: 72 • RESIDENCE: Boca Raton, FL

PHILANTHROPY SCORE:

153. REINHOLD SCHMIEDING

\$6.8 billion • SELF-MADE SCORE:

SOURCE: Medical devices

AGE: 68 • RESIDENCE: Naples, FL

PHILANTHROPY SCORE: N/A

156. MAT ISHOBIA

\$6.7 billion • SELF-MADE SCORE:

SOURCE: Mortgage lender

AGE: 43 • RESIDENCE: Bloomfield Hills, MI

PHILANTHROPY SCORE:

156. JIM KENNEDY

\$6.7 billion • SELF-MADE SCORE:

SOURCE: Media, automotive

AGE: 75 • RESIDENCE: Atlanta, GA

PHILANTHROPY SCORE:

156. BLAIR PARRY-OKEDEN

\$6.7 billion • SELF-MADE SCORE:

SOURCE: Media, automotive

AGE: 73 • RESIDENCE: New South Wales, Australia

PHILANTHROPY SCORE:

156. LYNSEI SNYDER

\$6.7 billion • SELF-MADE SCORE:

SOURCE: In-N-Out Burger

AGE: 41 • RESIDENCE: Glendora, CA

PHILANTHROPY SCORE:

156. GEORGE SOROS

\$6.7 billion • SELF-MADE SCORE:

SOURCE: Hedge funds

AGE: 93 • RESIDENCE: Katonah, NY

PHILANTHROPY SCORE:

161. VINOD KHOSLA

\$6.5 billion • SELF-MADE SCORE:

SOURCE: Venture capital

AGE: 68 • RESIDENCE: Portola Valley, CA

PHILANTHROPY SCORE:

161. ANNETTE LERNER & FAMILY

\$6.5 billion • SELF-MADE SCORE:

SOURCE: Real estate

AGE: 93 • RESIDENCE: Chevy Chase, MD

PHILANTHROPY SCORE:

161. MICHAEL MILKEN

\$6.5 billion • SELF-MADE SCORE:

SOURCE: Investments

AGE: 77 • RESIDENCE: Los Angeles, CA

PHILANTHROPY SCORE:

164. LI GE

\$6.4 billion • SELF-MADE SCORE:

SOURCE: Pharmaceutical ingredients

AGE: 56 • RESIDENCE: Shanghai, China

PHILANTHROPY SCORE: N/A

164. PIERRE OMIYAR

\$6.4 billion • SELF-MADE SCORE:

SOURCE: eBay, PayPal

AGE: 54 • RESIDENCE: Honolulu, HI

PHILANTHROPY SCORE:

164. CHARLES SIMONYI

\$6.4 billion • SELF-MADE SCORE:

SOURCE: Microsoft

AGE: 76 • RESIDENCE: Medina, WA

PHILANTHROPY SCORE:

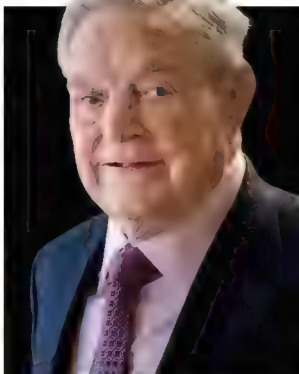
167. NEIL BLUHM

\$6.3 billion • SELF-MADE SCORE:

SOURCE: Real estate

AGE: 86 • RESIDENCE: Chicago, IL

PHILANTHROPY SCORE:



No. 156

George Soros

The 93-year-old former hedge fund mogul and left-wing kingmaker is passing the torch, handing control of his philanthropic empire to his son this summer. Alex Soros is already making big changes, saying in August that the Open Society Foundation, which has given \$19 billion to organizations supporting democracy in more than 120 countries, will reduce headcount "significantly" and shift its focus away from Western Europe. New priority areas include the U.S. and Ukraine.

167. DON VULTAGGIO & FAMILY

\$6.3 billion • SELF-MADE SCORE:

SOURCE: Beverages

AGE: 71 • RESIDENCE: Port Washington, NY

PHILANTHROPY SCORE:

169. JOHN BROWN

\$6.2 billion • SELF-MADE SCORE:

SOURCE: Medical equipment

AGE: 89 • RESIDENCE: Atlanta, GA

PHILANTHROPY SCORE:

169. STANLEY DRUCKENMILLER

\$6.2 billion • SELF-MADE SCORE:

SOURCE: Hedge funds

AGE: 70 • RESIDENCE: New York, NY

PHILANTHROPY SCORE:

169. DANIEL ZIFF

\$6.2 billion • SELF-MADE SCORE:

SOURCE: Investments

AGE: 51 • RESIDENCE: New York, NY

PHILANTHROPY SCORE:

169. DIRK ZIFF

\$6.2 billion • SELF-MADE SCORE:

SOURCE: Investments

AGE: 59 • RESIDENCE: North Palm Beach, FL

PHILANTHROPY SCORE:

169. ROBERT ZIFF

\$6.2 billion • SELF-MADE SCORE:

SOURCE: Investments

AGE: 57 • RESIDENCE: New York, NY

PHILANTHROPY SCORE:

174. PHILIPPE LAFFONT

\$6.1 billion • SELF-MADE SCORE:

SOURCE: Hedge funds

AGE: 56 • RESIDENCE: New York, NY

PHILANTHROPY SCORE:

174. PAUL SINGER

\$6.1 billion • SELF-MADE SCORE:

SOURCE: Hedge funds

AGE: 79 • RESIDENCE: New York, NY

PHILANTHROPY SCORE:

176. TODD BOEHLY

\$6 billion • SELF-MADE SCORE:

SOURCE: Finance

AGE: 50 • RESIDENCE: Darien, CT

PHILANTHROPY SCORE: N/A

176. WILLIAM GOLDRING & FAMILY

\$6 billion • SELF-MADE SCORE:

SOURCE: Alcohol

AGE: 80 • RESIDENCE: New Orleans, LA

PHILANTHROPY SCORE: N/A

176. KAREN PRITZKER

\$6 billion • SELF-MADE SCORE:

SOURCE: Hotels, investments

AGE: 65 • RESIDENCE: Branford, CT

PHILANTHROPY SCORE:

176. LES WEXNER & FAMILY

\$6 billion • SELF-MADE SCORE:

SOURCE: Retail

AGE: 86 • RESIDENCE: New Albany, OH

PHILANTHROPY SCORE:

180. JOHN A. SOBRATO & FAMILY

\$5.9 billion • SELF-MADE SCORE:

SOURCE: Real estate

AGE: 84 • RESIDENCE: Atherton, CA

PHILANTHROPY SCORE:

180. PETER THIEL

\$5.9 billion • SELF-MADE SCORE:

SOURCE: Facebook, investments

AGE: 55 • RESIDENCE: Los Angeles, CA

PHILANTHROPY SCORE:

182. ROBERT FAITH

\$5.8 billion • SELF-MADE SCORE:

SOURCE: Real estate management

AGE: 60 • RESIDENCE: Charleston, SC

PHILANTHROPY SCORE:

182. DENISE YORK & FAMILY

\$5.8 billion • SELF-MADE SCORE:

SOURCE: San Francisco 49ers

AGE: 72 • RESIDENCE: Youngstown, OH

PHILANTHROPY SCORE:

184. DAVID BORDERMAN

\$5.7 billion • SELF-MADE SCORE:

SOURCE: Private equity

AGE: 80 • RESIDENCE: Fort Worth, TX

PHILANTHROPY SCORE:

184. CHASE COLEMAN III

\$5.7 billion • SELF-MADE SCORE:

SOURCE: Investments

AGE: 48 • RESIDENCE: New York, NY

PHILANTHROPY SCORE:

184. DAN FRIEDKIN

\$5.7 billion • SELF-MADE SCORE:

SOURCE: Toyota dealerships

AGE: 58 • RESIDENCE: Houston, TX

PHILANTHROPY SCORE:

A close-up portrait of Ciara with dark, curly hair, looking slightly to the side with a soft expression. She is wearing a dark top and a small earring.

CIARA

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No. 184

Bill Haslam

The former governor of Tennessee pocketed an estimated \$2.8 billion this January when Berkshire Hathaway paid \$8.2 billion for another 41% of Pilot Flying J six years after it bought 39% of the truck-stop company founded by Haslam's father. Haslam then promptly picked up 30% of the NHL's Nashville Predators in May, with plans to become sole owner by 2025. He retains a small stake in Pilot Flying J.

184. BILL HASLAM

\$5.7 billion • SELF-MADE SCORE:
SOURCE: Gas stations
AGE: 65 • RESIDENCE: Knoxville, TN
PHILANTHROPY SCORE:

184. MARC ROWAN

\$5.7 billion • SELF-MADE SCORE:
SOURCE: Private equity
AGE: 61 • RESIDENCE: New York, NY
PHILANTHROPY SCORE:

184. FRED SMITH

\$5.7 billion • SELF-MADE SCORE:
SOURCE: FedEx
AGE: 79 • RESIDENCE: Memphis, TN
PHILANTHROPY SCORE:

184. MARK WALTER

\$5.7 billion • SELF-MADE SCORE:
SOURCE: Finance, asset management
AGE: 63 • RESIDENCE: Chicago, IL
PHILANTHROPY SCORE:

184. TY WARNER

\$5.7 billion • SELF-MADE SCORE:
SOURCE: Plush toys, real estate
AGE: 79 • RESIDENCE: Oak Brook, IL
PHILANTHROPY SCORE:

192. SCOTT COOK

\$5.6 billion • SELF-MADE SCORE:
SOURCE: Software
AGE: 71 • RESIDENCE: Woodside, CA
PHILANTHROPY SCORE:

192. TOM GOLISANO

\$5.6 billion • SELF-MADE SCORE:
SOURCE: Payroll services
AGE: 81 • RESIDENCE: Naples, FL
PHILANTHROPY SCORE:

192. JOE MANSUETO

\$5.6 billion • SELF-MADE SCORE:
SOURCE: Investment research
AGE: 67 • RESIDENCE: Chicago, IL
PHILANTHROPY SCORE:

192. JANICE MCNAIR

\$5.6 billion • SELF-MADE SCORE:
SOURCE: Energy, sports
AGE: 87 • RESIDENCE: Houston, TX
PHILANTHROPY SCORE:

192. THOMAS PRITZKER

\$5.6 billion • SELF-MADE SCORE:
SOURCE: Hotels, investments
AGE: 73 • RESIDENCE: Chicago, IL
PHILANTHROPY SCORE:

192. LYNDA RESNICK

\$5.6 billion • SELF-MADE SCORE:
SOURCE: Agriculture
AGE: 80 • RESIDENCE: Los Angeles, CA
PHILANTHROPY SCORE:

192. STEWART RESNICK

\$5.6 billion • SELF-MADE SCORE:
SOURCE: Agriculture
AGE: 84 • RESIDENCE: Beverly Hills, CA
PHILANTHROPY SCORE:

192. GARY ROLLINS

\$5.6 billion • SELF-MADE SCORE:
SOURCE: Pest control
AGE: 79 • RESIDENCE: Atlanta, GA
PHILANTHROPY SCORE:

192. KELCY WARREN

\$5.6 billion • SELF-MADE SCORE:
SOURCE: Pipelines
AGE: 67 • RESIDENCE: Dallas, TX
PHILANTHROPY SCORE:

201. GWENDOLYN SONTHEIM MEYER

\$5.5 billion • SELF-MADE SCORE:
SOURCE: Cargill
AGE: 61 • RESIDENCE: Rancho Santa Fe, CA
PHILANTHROPY SCORE:

201. MARK STEVENS

\$5.5 billion • SELF-MADE SCORE:
SOURCE: Venture capital
AGE: 63 • RESIDENCE: Steamboat Springs, CO
PHILANTHROPY SCORE:

203. ROBERT HALE JR.

\$5.4 billion • SELF-MADE SCORE:
SOURCE: Telecom
AGE: 57 • RESIDENCE: Boston, MA
PHILANTHROPY SCORE:

204. ROBERT BASS

\$5.3 billion • SELF-MADE SCORE:
SOURCE: Oil, investments
AGE: 75 • RESIDENCE: Fort Worth, TX
PHILANTHROPY SCORE:

204. GAYLE BENSON

\$5.3 billion • SELF-MADE SCORE:
SOURCE: New Orleans Saints
AGE: 76 • RESIDENCE: New Orleans, LA
PHILANTHROPY SCORE:

204. RICK CARUSO

\$5.3 billion • SELF-MADE SCORE:
SOURCE: Real estate
AGE: 64 • RESIDENCE: Los Angeles, CA
PHILANTHROPY SCORE:

204. THAILEE

\$5.3 billion • SELF-MADE SCORE:
SOURCE: IT provider
AGE: 64 • RESIDENCE: Austin, TX
PHILANTHROPY SCORE:

204. DOUG MEIJER & FAMILY

\$5.3 billion • SELF-MADE SCORE:
SOURCE: Supermarkets
AGE: 69 • RESIDENCE: Grand Rapids, MI
PHILANTHROPY SCORE:

204. HANK MEIJER & FAMILY

\$5.3 billion • SELF-MADE SCORE:
SOURCE: Supermarkets
AGE: 71 • RESIDENCE: Grand Rapids, MI
PHILANTHROPY SCORE:

204. MARK MEIJER & FAMILY

\$5.3 billion • SELF-MADE SCORE:
SOURCE: Supermarkets
AGE: 65 • RESIDENCE: Grand Rapids, MI
PHILANTHROPY SCORE:

211. MARK CUBAN

\$5.2 billion • SELF-MADE SCORE:
SOURCE: Online media, Dallas Mavericks
AGE: 66 • RESIDENCE: Dallas, TX
PHILANTHROPY SCORE:

211. DAGMAR DOLBY & FAMILY

\$5.2 billion • SELF-MADE SCORE:
SOURCE: Dolby Laboratories
AGE: 82 • RESIDENCE: San Francisco, CA
PHILANTHROPY SCORE:

211. ARCHIE ALDIS EMMERSON & FAMILY

\$5.2 billion • SELF-MADE SCORE:
SOURCE: Timberland, lumber mills
AGE: 94 • RESIDENCE: Redding, CA
PHILANTHROPY SCORE:

211. THOMAS HAGEN

\$5.2 billion • SELF-MADE SCORE:
SOURCE: Insurance
AGE: 87 • RESIDENCE: Erie, PA
PHILANTHROPY SCORE:

215. RON BARON

\$5.1 billion • SELF-MADE SCORE:
SOURCE: Money management
AGE: 80 • RESIDENCE: New York, NY
PHILANTHROPY SCORE:

215. JIM DAVIS & FAMILY

\$5.1 billion • SELF-MADE SCORE:
SOURCE: New Balance
AGE: 80 • RESIDENCE: Newton, MA
PHILANTHROPY SCORE:

215. JOHN HENRY

\$5.1 billion • SELF-MADE SCORE:
SOURCE: Sports
AGE: 74 • RESIDENCE: Boca Raton, FL
PHILANTHROPY SCORE:

215. CHARLES B. JOHNSON

\$5.1 billion • SELF-MADE SCORE:
SOURCE: Franklin Templeton
AGE: 90 • RESIDENCE: Palm Beach, FL
PHILANTHROPY SCORE:

215. JOSEPH LIEMANDT

\$5.1 billion • SELF-MADE SCORE:
SOURCE: Software
AGE: 55 • RESIDENCE: Austin, TX
PHILANTHROPY SCORE: N/A

215. SAMI MNAYMNEH

\$5.1 billion • SELF-MADE SCORE:
SOURCE: Private equity
AGE: 62 • RESIDENCE: Miami Beach, FL
PHILANTHROPY SCORE:

215. MICHAEL MORITZ

\$5.1 billion • SELF-MADE SCORE: ③
 SOURCE: Venture capital
 AGE: 67 • RESIDENCE: San Francisco, CA
 PHILANTHROPY SCORE: ♥♥♥♥

215. TONY TAMER

\$5.1 billion • SELF-MADE SCORE: ③
 SOURCE: Private equity
 AGE: 65 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: N/A

215. ROMESH T. WADHWANI

\$5.1 billion • SELF-MADE SCORE: ③
 SOURCE: Software
 AGE: 76 • RESIDENCE: Palo Alto, CA
 PHILANTHROPY SCORE: ♥♥

224. AUSTEN CARGILL II

\$5 billion • SELF-MADE SCORE: ①
 SOURCE: Cargill
 AGE: 72 • RESIDENCE: Livingston, MT
 PHILANTHROPY SCORE: ♥

224. JAMES CARGILL II

\$5 billion • SELF-MADE SCORE: ①
 SOURCE: Cargill
 AGE: 74 • RESIDENCE: Birchwood, WI
 PHILANTHROPY SCORE: ♥

224. MARIANNE LIEBMANN

\$5 billion • SELF-MADE SCORE: ①
 SOURCE: Cargill
 AGE: 70 • RESIDENCE: Bozeman, MT
 PHILANTHROPY SCORE: ♥

227. MARGOT BIRMINGHAM PEROT

\$4.9 billion • SELF-MADE SCORE: ①
 SOURCE: Computer services, real estate
 AGE: 89 • RESIDENCE: Dallas, TX
 PHILANTHROPY SCORE: ♥♥

227. W. HERBERT HUNT

\$4.9 billion • SELF-MADE SCORE: ①
 SOURCE: Oil
 AGE: 94 • RESIDENCE: Dallas, TX
 PHILANTHROPY SCORE: ♥

227. HELEN JOHNSON-LEIPOLD

\$4.9 billion • SELF-MADE SCORE: ①
 SOURCE: Cleaning products
 AGE: 66 • RESIDENCE: Racine, WI
 PHILANTHROPY SCORE: ♥♥

227. DAN KURZIUŠ

\$4.9 billion • SELF-MADE SCORE: ③
 SOURCE: Email marketing
 AGE: 81 • RESIDENCE: Atlanta, GA
 PHILANTHROPY SCORE: N/A

227. GEORGE LUCAS

\$4.9 billion • SELF-MADE SCORE: ③
 SOURCE: Star Wars
 AGE: 79 • RESIDENCE: San Anselmo, CA
 PHILANTHROPY SCORE: ♥♥♥♥

227. TREVOR REES-JONES

\$4.9 billion • SELF-MADE SCORE: ③
 SOURCE: Oil and gas
 AGE: 72 • RESIDENCE: Dallas, TX
 PHILANTHROPY SCORE: ♥♥♥♥

227. THOMAS SECUNDA

\$4.9 billion • SELF-MADE SCORE: ③
 SOURCE: Bloomberg LP
 AGE: 69 • RESIDENCE: Croton-on-Hudson, NY
 PHILANTHROPY SCORE: ♥♥

227. PATRICK SOON-SHONG

\$4.9 billion • SELF-MADE SCORE: ③
 SOURCE: Pharmaceuticals
 AGE: 71 • RESIDENCE: Los Angeles, CA
 PHILANTHROPY SCORE: ♥♥

227. ELIZABETH UHLEIN

\$4.9 billion • SELF-MADE SCORE: ③
 SOURCE: Packaging materials
 AGE: 70 • RESIDENCE: Lake Forest, IL
 PHILANTHROPY SCORE: ♥♥

227. RICHARD UHLEIN

\$4.9 billion • SELF-MADE SCORE: ③
 SOURCE: Packaging materials
 AGE: 70 • RESIDENCE: Lake Forest, IL
 PHILANTHROPY SCORE: ♥♥

227. RONALD WANKE

\$4.8 billion • SELF-MADE SCORE: ③
 SOURCE: Furniture
 AGE: 82 • RESIDENCE: St. Petersburg, FL
 PHILANTHROPY SCORE: ♥♥

238. H. FISK JOHNSON

\$4.8 billion • SELF-MADE SCORE: ③
 SOURCE: Cleaning products
 AGE: 65 • RESIDENCE: Racine, WI
 PHILANTHROPY SCORE: ♥♥

238. S. CURTIS JOHNSON

\$4.8 billion • SELF-MADE SCORE: ③
 SOURCE: Cleaning products
 AGE: 68 • RESIDENCE: Racine, WI
 PHILANTHROPY SCORE: ♥♥

238. WINIFRED J. MARQUART

\$4.8 billion • SELF-MADE SCORE: ③
 SOURCE: Cleaning products
 AGE: 64 • RESIDENCE: Virginia Beach, VA
 PHILANTHROPY SCORE: ♥♥

238. ARTURO MORENO

\$4.8 billion • SELF-MADE SCORE: ③
 SOURCE: Billboards, Los Angeles Angels
 AGE: 77 • RESIDENCE: Phoenix, AZ
 PHILANTHROPY SCORE: ♥♥

238. STEVEN SPIELBERG

\$4.8 billion • SELF-MADE SCORE: ③
 SOURCE: Movies
 AGE: 76 • RESIDENCE: Pacific Palisades, CA
 PHILANTHROPY SCORE: ♥♥♥

238. RUSS WEINER

\$4.8 billion • SELF-MADE SCORE: ③
 SOURCE: Energy drinks
 AGE: 53 • RESIDENCE: Delray Beach, FL
 PHILANTHROPY SCORE: ♥

244. CHARLES DOLAN & FAMILY

\$4.7 billion • SELF-MADE SCORE: ③
 SOURCE: Cable television
 AGE: 96 • RESIDENCE: Oyster Bay, NY
 PHILANTHROPY SCORE: ♥♥

244. JIM KAVANAUGH

\$4.7 billion • SELF-MADE SCORE: ③
 SOURCE: IT provider
 AGE: 60 • RESIDENCE: St. Louis, MO
 PHILANTHROPY SCORE: ♥

244. RONALD LAUDER

\$4.7 billion • SELF-MADE SCORE: ③
 SOURCE: Estee Lauder
 AGE: 79 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: ♥♥♥

244. MITCHELL RALES

\$4.7 billion • SELF-MADE SCORE: ③
 SOURCE: Manufacturing, investments
 AGE: 67 • RESIDENCE: Potomac, MD
 PHILANTHROPY SCORE: ♥♥

244. JON STRYKER

\$4.7 billion • SELF-MADE SCORE: ①
 SOURCE: Medical equipment
 AGE: 65 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: ♥♥♥♥

**No. 215****Michael Moritz**

He left Sequoia Capital in July after 37 years. As co-leader of the blue-chip venture capital giant, he helped steer the firm through the dot-com crash and 2008 financial crisis, and into lucrative early investments in Google and PayPal. A former *Time* journalist, he's taken to writing op-eds for the *New York Times* and *Financial Times* on Silicon Valley Bank, San Francisco's decline and more, and is one of several tech billionaires backing a mysterious project to build an entirely new city on farmland on the Bay Area's outskirts.

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Other businesses
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save it.

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249. BEN CHESTNUT

\$4.6 billion • SELF-MADE SCORE:
 SOURCE: Email marketing
 AGE: 49 • RESIDENCE: Atlanta, GA
 PHILANTHROPY SCORE:

249. RAKESH GANGWAL

\$4.6 billion • SELF-MADE SCORE:
 SOURCE: Airline
 AGE: 70 • RESIDENCE: Miami, FL
 PHILANTHROPY SCORE: N/A

249. JEFF T. GREEN

\$4.6 billion • SELF-MADE SCORE:
 SOURCE: Digital advertising
 AGE: 46 • RESIDENCE: Newbury Park, CA
 PHILANTHROPY SCORE:

249. DONALD HORTON & FAMILY

\$4.6 billion • SELF-MADE SCORE:
 SOURCE: Homebuilding
 AGE: 73 • RESIDENCE: Fort Worth, TX
 PHILANTHROPY SCORE:

249. JOHNELLE HUNT

\$4.6 billion • SELF-MADE SCORE:
 SOURCE: Trucking
 AGE: 91 • RESIDENCE: Fayetteville, AR
 PHILANTHROPY SCORE:

249. JEFFREY LURIE & FAMILY

\$4.6 billion • SELF-MADE SCORE:
 SOURCE: Philadelphia Eagles
 AGE: 72 • RESIDENCE: Wynnewood, PA
 PHILANTHROPY SCORE:

249. MARK SHOEN

\$4.6 billion • SELF-MADE SCORE:
 SOURCE: U-Haul
 AGE: 72 • RESIDENCE: Phoenix, AZ
 PHILANTHROPY SCORE: N/A

249. HERBERT WERTHEIM

\$4.6 billion • SELF-MADE SCORE:
 SOURCE: Investments
 AGE: 84 • RESIDENCE: Coral Gables, FL
 PHILANTHROPY SCORE:

249. KEN XIE

\$4.6 billion • SELF-MADE SCORE:
 SOURCE: Cybersecurity
 AGE: 60 • RESIDENCE: Los Altos Hills, CA
 PHILANTHROPY SCORE:

258. JAMES CHAMBERS

\$4.5 billion • SELF-MADE SCORE:
 SOURCE: Media, automotive
 AGE: 66 • RESIDENCE: Palisades, NY
 PHILANTHROPY SCORE:

258. MIN KAO & FAMILY

\$4.5 billion • SELF-MADE SCORE:
 SOURCE: Navigation equipment
 AGE: 74 • RESIDENCE: Leawood, KS
 PHILANTHROPY SCORE:

258. LIN BIN

\$4.5 billion • SELF-MADE SCORE:
 SOURCE: Smartphones
 AGE: 55 • RESIDENCE: Beijing, China
 PHILANTHROPY SCORE: N/A

258. KATHARINE RAYNER

\$4.5 billion • SELF-MADE SCORE:
 SOURCE: Media, automotive
 AGE: 78 • RESIDENCE: East Hampton, NY
 PHILANTHROPY SCORE:

258. LYNN SCHUSTERMAN & FAMILY

\$4.5 billion • SELF-MADE SCORE:
 SOURCE: Oil and gas, investments
 AGE: 84 • RESIDENCE: Tulsa, OK
 PHILANTHROPY SCORE:



No. 278

Maggie Hardy

Spiking lumber prices have been good for Hardy's building-supplies business, 84 Lumber. Revenue has nearly doubled to \$8.8 billion since 2020, putting her back on The Forbes 400 for the first time since 2009. She owns 95% of the company, which she took over from her father in 1992 and kept alive through the housing crash in part by borrowing against her jewelry collection and her personal checking account.

258. MARGARETTA TAYLOR

\$4.5 billion • SELF-MADE SCORE:
 SOURCE: Media, automotive
 AGE: 81 • RESIDENCE: Southampton, NY
 PHILANTHROPY SCORE:

264. JIM DAVIS

\$4.4 billion • SELF-MADE SCORE:
 SOURCE: Staffing and recruiting
 AGE: 63 • RESIDENCE: Cockeysville, MD
 PHILANTHROPY SCORE:

264. JEFF SKOLL

\$4.4 billion • SELF-MADE SCORE:
 SOURCE: eBay
 AGE: 58 • RESIDENCE: Los Angeles, CA
 PHILANTHROPY SCORE:

264. ERIC YUAN & FAMILY

\$4.4 billion • SELF-MADE SCORE:
 SOURCE: Zoom Video Communications
 AGE: 53 • RESIDENCE: Santa Clara, CA
 PHILANTHROPY SCORE: N/A

267. JOHN CATSIMATIDIS

\$4.4 billion • SELF-MADE SCORE:
 SOURCE: Oil, real estate
 AGE: 75 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE:

267. REED HASTINGS

\$4.3 billion • SELF-MADE SCORE:
 SOURCE: Netflix
 AGE: 62 • RESIDENCE: Santa Cruz, CA
 PHILANTHROPY SCORE:

267. JAMES IRSAY

\$4.3 billion • SELF-MADE SCORE:
 SOURCE: Indianapolis Colts
 AGE: 64 • RESIDENCE: Carmel, IN
 PHILANTHROPY SCORE:

267. ERIC LEFKOWSKY

\$4.3 billion • SELF-MADE SCORE:
 SOURCE: Group, investments
 AGE: 54 • RESIDENCE: Glencoe, IL
 PHILANTHROPY SCORE:

267. GAD NEWELL

\$4.3 billion • SELF-MADE SCORE:
 SOURCE: Video games
 AGE: 60 • RESIDENCE: Seattle, WA
 PHILANTHROPY SCORE: N/A

267. JEAN (GIGI) PRITZKER

\$4.3 billion • SELF-MADE SCORE:
 SOURCE: Hotels, investments
 AGE: 61 • RESIDENCE: Los Angeles, CA
 PHILANTHROPY SCORE:

273. JOSEPH GRENOYS

\$4.2 billion • SELF-MADE SCORE:
 SOURCE: Poultry processing
 AGE: 61 • RESIDENCE: Chicago, IL
 PHILANTHROPY SCORE:

273. MARTHA INGRAM & FAMILY

\$4.2 billion • SELF-MADE SCORE:
 SOURCE: Book distribution, transportation
 AGE: 88 • RESIDENCE: Nashville, TN
 PHILANTHROPY SCORE:

273. JEREMY JACOBS SR. & FAMILY

\$4.2 billion • SELF-MADE SCORE:
 SOURCE: Food service
 AGE: 83 • RESIDENCE: East Aurora, NY
 PHILANTHROPY SCORE:

273. RUPERT JOHNSON JR.

\$4.2 billion • SELF-MADE SCORE:
 SOURCE: Franklin Templeton
 AGE: 83 • RESIDENCE: Burlingame, CA
 PHILANTHROPY SCORE:

273. JOHN SALL

\$4.2 billion • SELF-MADE SCORE:
 SOURCE: Software
 AGE: 75 • RESIDENCE: Cary, NC
 PHILANTHROPY SCORE:

278. NICK CAPORELLA

\$4.1 billion • SELF-MADE SCORE:
 SOURCE: Beverages
 AGE: 87 • RESIDENCE: Plantation, FL
 PHILANTHROPY SCORE: N/A

278. BARRY DILLER

\$4.1 billion • SELF-MADE SCORE:
 SOURCE: Online media
 AGE: 81 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE:

278. STEPHEN FEINBERG

\$4.1 billion • SELF-MADE SCORE:
 SOURCE: Private equity
 AGE: 63 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: N/A

278. MAGGIE HARDY

\$4.1 billion • SELF-MADE SCORE:
 SOURCE: Building materials
 AGE: 57 • RESIDENCE: Belle Vernon, PA
 PHILANTHROPY SCORE: N/A

278. DAN SNYDER

\$4.1 billion • SELF-MADE SCORE:
 SOURCE: Washington Commanders
 AGE: 58 • RESIDENCE: Potomac, MD
 PHILANTHROPY SCORE:

278. TIM SWEENEY

\$4.1 billion ♦ • SELF-MADE SCORE: ③

SOURCE: Video games

AGE: 82 • RESIDENCE: Cary, NC

PHILANTHROPY SCORE: ♥

278. STEVEN UDVAR-HAZY

\$4.1 billion ♦ • SELF-MADE SCORE: ③

SOURCE: Aircraft leasing

AGE: 77 • RESIDENCE: Westlake, TX

PHILANTHROPY SCORE: ♥♥♥

285. MARIAN ILITCH

\$4 billion ♦ • SELF-MADE SCORE: ③

SOURCE: Little Caesars Pizza

AGE: 90 • RESIDENCE: Bingham Farms, MI

PHILANTHROPY SCORE: ♥♥♥

285. ROGER PENSKER

\$4 billion ♦ • SELF-MADE SCORE: ③

SOURCE: Cars

AGE: 86 • RESIDENCE: Birmingham, MI

PHILANTHROPY SCORE: ♥

285. ISAAC PERLMUTTER

\$4 billion ♦ • SELF-MADE SCORE: ③

SOURCE: Marvel comics

AGE: 80 • RESIDENCE: Palm Beach, FL

PHILANTHROPY SCORE: ♥

285. JEFF ROTHSCHILD

\$4 billion ♦ • SELF-MADE SCORE: ③

SOURCE: Facebook

AGE: 48 • RESIDENCE: Palo Alto, CA

PHILANTHROPY SCORE: ♥

285. E. JOE SHOEN

\$4 billion ♦ • SELF-MADE SCORE: ③

SOURCE: U-Haul

AGE: 73 • RESIDENCE: Phoenix, AZ

PHILANTHROPY SCORE: N/A

285. DONALD STERLING

\$4 billion ♦ • SELF-MADE SCORE: ③

SOURCE: Real estate

AGE: 89 • RESIDENCE: Beverly Hills, CA

PHILANTHROPY SCORE: ♥

291. SID BASS

\$3.9 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Oil, investments

AGE: 81 • RESIDENCE: Fort Worth, TX

PHILANTHROPY SCORE: ♥♥

291. WESLEY EDENS

\$3.9 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Investments

AGE: 61 • RESIDENCE: New York, NY

PHILANTHROPY SCORE: N/A

291. HAMILTON JAMES & FAMILY

\$3.9 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Investments

AGE: 72 • RESIDENCE: New York, NY

PHILANTHROPY SCORE: ♥♥

291. GAIL MILLER

\$3.9 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Car dealerships

AGE: 79 • RESIDENCE: Salt Lake City, UT

PHILANTHROPY SCORE: ♥♥

295. JIM COULTER

\$3.8 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Private equity

AGE: 63 • RESIDENCE: San Francisco, CA

PHILANTHROPY SCORE: ♥

295. DANIEL D'ANIELLO

\$3.8 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Private equity

AGE: 77 • RESIDENCE: Vienna, VA

PHILANTHROPY SCORE: ♥♥♥

295. BEHDAD EGHBALI

\$3.8 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Private equity

AGE: 47 • RESIDENCE: Los Angeles, CA

PHILANTHROPY SCORE: N/A

295. JOSE E. FELICIANO

\$3.8 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Private equity

AGE: 50 • RESIDENCE: Los Angeles, CA

PHILANTHROPY SCORE: ♥

295. PETER KELLOGG

\$3.8 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Investments

AGE: 81 • RESIDENCE: Short Hills, NJ

PHILANTHROPY SCORE: ♥♥♥

295. RICHARD SCHULZE

\$3.8 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Best Buy

AGE: 82 • RESIDENCE: Naples, FL

PHILANTHROPY SCORE: ♥♥♥

295. THOMAS SIEBEL

\$3.8 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Business software

AGE: 70 • RESIDENCE: Woodside, CA

PHILANTHROPY SCORE: ♥♥♥♥



No. 314

Sanjit Biswas

Samsara, which he cofounded eight years ago, offers tools like AI dash cams, real-time driver coaching and route mapping for customers such as oil field service Liberty Energy, moving company PODS and plumbing giant Roto-Rooter. In July, annual recurring revenue hit \$930 million, up 40% year over year, helping drive the stock up 160% in 2023. CEO Biswas, the precocious son of Indian immigrants, was hired as an engineer at Oracle at age 15 and met cofounder and CTO John Bicket (No. 326) while pursuing a computer science Ph.D. at MIT.

295. BARRY STERNLICHT

\$3.8 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Private equity

AGE: 62 • RESIDENCE: Miami, FL

PHILANTHROPY SCORE: ♥♥

295. MICHAEL XIE

\$3.8 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Cybersecurity

AGE: 54 • RESIDENCE: Los Altos Hills, CA

PHILANTHROPY SCORE: ♥

304. WILLIAM ACKMAN

\$3.7 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Hedge funds

AGE: 57 • RESIDENCE: New York, NY

PHILANTHROPY SCORE: ♥♥♥

304. BRIAN ARMSTRONG

\$3.7 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Cryptocurrency

AGE: 40 • RESIDENCE: San Francisco, CA

PHILANTHROPY SCORE: N/A

304. HAYES BARNARD

\$3.7 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Fintech

AGE: 51 • RESIDENCE: Austin, TX

PHILANTHROPY SCORE: ♥♥♥

304. PETER GASSNER

\$3.7 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Software

AGE: 58 • RESIDENCE: Pleasanton, CA

PHILANTHROPY SCORE: N/A

304. BRAD JACOBS

\$3.7 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Logistics

AGE: 67 • RESIDENCE: Greenwich, CT

PHILANTHROPY SCORE: N/A

304. MARY ALICE DORRANCE MALONE

\$3.7 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Campbell Soup

AGE: 73 • RESIDENCE: Coatesville, PA

PHILANTHROPY SCORE: ♥

304. JOHN MIDDLETON

\$3.7 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Tobacco

AGE: 68 • RESIDENCE: Bryn Mawr, PA

PHILANTHROPY SCORE: ♥♥

304. JAY PAUL

\$3.7 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Real estate

AGE: 76 • RESIDENCE: San Francisco, CA

PHILANTHROPY SCORE: N/A

304. H. ROSS PEROT JR.

\$3.7 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Real estate

AGE: 64 • RESIDENCE: Dallas, TX

PHILANTHROPY SCORE: ♥♥

304. ANTHONY PRITZKER

\$3.7 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Hotels, investments

AGE: 62 • RESIDENCE: Los Angeles, CA

PHILANTHROPY SCORE: ♥♥♥

314. SANJIT BISWAS

\$3.6 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Sensor systems

AGE: 41 • RESIDENCE: San Francisco, CA

PHILANTHROPY SCORE: N/A

314. JAMES CLARK

\$3.6 billion ♦ • SELF-MADE SCORE: ④

SOURCE: Netscape, investments

AGE: 79 • RESIDENCE: Palm Beach, FL

PHILANTHROPY SCORE: ♥♥



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Rajiv Jain

\$3.1 billion + • **SELF-MADE SCORE:** 8
SOURCE: Finance
AGE: 55 • **RESIDENCE:** Fort Lauderdale, FL
PHILANTHROPY SCORE: ♥

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366. PABLO LEGORRETA

\$3.1 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Investments
 AGE: 59 • RESIDENCE: Sag Harbor, NY
 PHILANTHROPY SCORE: ♥

366. DRAYTON MCLANE JR.

\$3.1 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Walmart, logistics
 AGE: 87 • RESIDENCE: Temple, TX
 PHILANTHROPY SCORE: ♥♥

366. VINCENT McMAHON

\$3.1 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Entertainment
 AGE: 78 • RESIDENCE: Greenwich, CT
 PHILANTHROPY SCORE: ♥

366. GEOFFREY PALMER

\$3.1 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Real estate
 AGE: 73 • RESIDENCE: Beverly Hills, CA
 PHILANTHROPY SCORE: ♥

366. RODNEY SACKS

\$3.1 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Energy drinks
 AGE: 73 • RESIDENCE: Laguna Beach, CA
 PHILANTHROPY SCORE: N/A

366. JERRY SPEYER & FAMILY

\$3.1 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Real estate
 AGE: 93 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: ♥

379. ANEEL BHUSRI

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Business software
 AGE: 57 • RESIDENCE: San Francisco, CA
 PHILANTHROPY SCORE: ♥

379. CHARLES COHEN

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Real estate
 AGE: 71 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: ♥

379. EDWARD DEBARTOLO JR.

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Shopping centers
 AGE: 76 • RESIDENCE: Tampa, FL
 PHILANTHROPY SCORE: ♥♥

379. JOHN PAUL DEJORIA

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Hair products, tequila
 AGE: 79 • RESIDENCE: Austin, TX
 PHILANTHROPY SCORE: ♥♥

379. JAMES DUFF

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Tires, diversified
 AGE: 62 • RESIDENCE: Hattiesburg, MS
 PHILANTHROPY SCORE: ♥

379. THOMAS DUFF

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Tires, diversified
 AGE: 66 • RESIDENCE: Hattiesburg, MS
 PHILANTHROPY SCORE: ♥

379. J. TOMILSON HILL

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Investments
 AGE: 76 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: ♥♥

379. STEWART HOREJSI & FAMILY

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Berkshire Hathaway
 AGE: 86 • RESIDENCE: Phoenix, AZ
 PHILANTHROPY SCORE: ♥♥

379. MICHAEL JORDAN

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Charlotte Hornets, endorsements
 AGE: 60 • RESIDENCE: Jupiter, FL
 PHILANTHROPY SCORE: ♥

379. HAIM SABAN

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: TV network, investments
 AGE: 78 • RESIDENCE: Beverly Hills, CA
 PHILANTHROPY SCORE: ♥♥♥

379. LEONARD SCHLEIFER

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Pharmaceuticals
 AGE: 71 • RESIDENCE: Tarrytown, NY
 PHILANTHROPY SCORE: ♥

379. JEFFREY TALPINS

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Hedge funds
 AGE: 48 • RESIDENCE: Larchmont, NY
 PHILANTHROPY SCORE: N/A

379. THOMAS TULL

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Movies, investments
 AGE: 53 • RESIDENCE: Pittsburgh, PA
 PHILANTHROPY SCORE: ♥♥



No. 379

Michael Jordan

The basketball great notched one of the biggest wins of his business career in August, when he sold a majority stake in the NBA's Charlotte Hornets at a \$3 billion valuation, 17 times what it was worth when he became lead owner in 2010. Meanwhile, he's still cashing royalty checks from every Jordan-branded sneaker, shirt or sock Nike sells—enough to bring him \$260 million in estimated (pretax) income over the past year, nearly triple the roughly \$90 million he made over his 16-year playing career.

379. TODD WANER

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Furniture
 AGE: 59 • RESIDENCE: St. Petersburg, FL
 PHILANTHROPY SCORE: ♥♥

379. MEG WHITMAN

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: eBay
 AGE: 67 • RESIDENCE: Los Angeles, CA
 PHILANTHROPY SCORE: ♥♥

379. WILLIAM WRIGLEY JR.

\$3 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Chewing gum
 AGE: 59 • RESIDENCE: North Palm Beach, FL
 PHILANTHROPY SCORE: N/A

395. BILL AUSTIN

\$2.9 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Hearing aids
 AGE: 81 • RESIDENCE: Brownsville, TX
 PHILANTHROPY SCORE: N/A

395. J. HYATT BROWN

\$2.9 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Insurance
 AGE: 86 • RESIDENCE: Ormond Beach, FL
 PHILANTHROPY SCORE: ♥♥

395. RAY DAVIS

\$2.9 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Pipelines
 AGE: 81 • RESIDENCE: Dallas, TX
 PHILANTHROPY SCORE: ♥♥

395. CHRIS LARSEN

\$2.9 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Cryptocurrency
 AGE: 43 • RESIDENCE: San Francisco, CA
 PHILANTHROPY SCORE: ♥♥♥♥

395. C. DEAN METROPOULOS

\$2.9 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Investments
 AGE: 77 • RESIDENCE: Palm Beach, FL
 PHILANTHROPY SCORE: ♥

395. DANIEL SUNDHEIM

\$2.9 billion ♦ • SELF-MADE SCORE: ⑤
 SOURCE: Hedge funds
 AGE: 46 • RESIDENCE: New York, NY
 PHILANTHROPY SCORE: ♥

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DELISTED

ADMISSION TO AMERICA'S MOST ELITE CLUB GOT A LITTLE PRICIER THIS YEAR. THE FORBES 400 CUTOFF CLIMBED TO A RECORD-TYING \$2.9 BILLION, UP \$200 MILLION FROM 2022, BOOTING 24 UNDERPERFORMING MEMBERS OF LAST YEAR'S LIST. ANOTHER SIX PASSED AWAY.



Evan Spiegel

NET WORTH: **\$2.6 billion** (↓ \$200 million)

Spiegel became a billionaire at age 24 and scaled onto The Forbes 400 at 25 as his instant messaging app Snapchat became a must-have. But scarier advertising dollars (and Apple letting users opt out of targeted ads) hurt revenue. Snap's stock is down 16% since last year's list and shares are off nearly 90% from their September 2021 high. Cofounder Bobby Murphy is also a drop-off.



Donald Trump

NET WORTH: **\$2.6 billion** (↓ \$400 million)

A year ago, Trump could still hope that a significant percentage of Americans would log on to Truth Social, his social-media platform. That never happened: Only 6.5 million or so have signed up so far, as compared to X's (né Twitter's) 500 million-plus. Trump's 90% stake has plummeted in value from an estimated \$730 million to \$100 million. Also in trouble: his office buildings, down \$170 million. One bright spot: Fewer people in the office means more on the links. Trump's U.S. golf revenues are roughly 30% higher than pre-pandemic.



Charlie Ergen

NET WORTH: **\$2 billion** (↓ \$2.8 billion)

It's been a long slide from the 400 for Ergen, who first made the list in 1997. His fortune peaked at \$20 billion in 2015, but he was still worth more than \$9 billion just three years ago. The former professional gambler's wealth shrank over the past year as shares of his satellite TV provider, Dish Network, crashed to their lowest price since the late 1990s. Customers have been fleeing Dish for streaming services, and a February ransomware attack further dented the stock. In August, Ergen announced a plan to merge Dish with Echostar, the satellite operator he spun out in 2008, in a bid to save them both.



Gordon Moore DIED MARCH 24, 2023 (AGE 94)

NET WORTH AT DEATH: **\$6.8 billion**

As a young Caltech chemistry and physics Ph.D. in the 1950s, Moore worked in the lab of Nobel Prize-winning semiconductor pioneer Bill Shockley, then at his pioneering firm Shockley Semiconductor. In 1957, dissatisfied with Shockley's management skills, Moore and seven others (the so-called "traitorous eight") left to form Fairchild Semiconductor. Moore would depart 12 years later to cofound Intel. Famous for "Moore's Law"—his prescient prediction that the number of transistors on a chip, a crude measure of processing power, would double every two years—he led Intel as CEO in the 1970s and '80s, building it into the world's biggest chipmaker. Moore, who was also a prominent philanthropist, died in Hawaii.

METHODOLOGY

The Forbes 400 is our annual ranking of the richest Americans. To compile the list, we pored over thousands of SEC documents, court records, probate records and news articles. We accounted for all types of assets: stakes in public and private companies, real estate, art, yachts, planes, ranches, vineyards, jewelry, car collections and more. We factored in debt and took into account charitable giving, in part by reviewing filings made to the IRS. Of course, we don't pretend to know what is listed on every billionaire's personal balance sheet, although some candidates did provide documentation to that effect. When possible, we met with Forbes 400 members and candidates in person or by phone. We also interviewed their employees, handlers, rivals, peers and attorneys. We purposely excluded dispersed family fortunes, though we did include wealth belonging to a member's immediate relatives in some cases, marked "family." Our estimates are a snapshot of wealth as of September 8, 2023. For a detailed methodology and an explanation of our philanthropy score and our self-made score, please go to www.forbes.com/forbes-400. Daily updated net worths are available at www.forbes.com/real-time-billionaires.

FORBES (ISSN 0016 6914) publishes 8 issues per year. The Apr/May and Dec/Jan issues are double issues which each count as 2 issues toward your 8-issue annual term by Forbes Media LLC, 499 Washington Blvd., Jersey City, NJ 07310. Periodicals postage paid at Newark, NJ 07102 and at additional mailing offices. Canadian Agreement No. 40036469. Return undeliverable Canadian addresses to APC Postal Logistics, LLC, 140 E. Union Ave., East Rutherford, NJ 07073. Canada GST# 12576 9513 RT. POSTMASTER: Send address changes to Forbes Subscriber Service, P.O. Box 5471, Harlan, IA 51593-0971.

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Legacy

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"The difference between the man who cuts lawns and the gardener is in the touching. The lawn cutter might just as well not have been there at all; the gardener will be there a lifetime."
—Ray Bradbury

"Memory. Genes. That's how life spoke to the future. The story that never ends—it's the art of survival."
—Francisca Soares

"Are we being good ancestors?"
—Jonas Salk

"He's had a bloody awful childhood. Like I had. Those things get passed on and on."
—Iris Murdoch

"Our descendants deserve libraries, not barracks. They deserve to inherit a world that values both their waking lives and their dreams."
—Courtney M. Privett

"The person of a man may go, but the best part of him stays. It stays forever."
—William Saroyan

"Woe to the man who leaves behind a shadow that bears his form."
—Victor Hugo

"We should not forget that it will be just as important to our descendants to be prosperous in their time as it is to us to be prosperous in our time."
—Teddy Roosevelt

"As long as we are being remembered, we remain alive."
—Carlos Ruiz Zafón

"The very stone one kicks with one's boot will outlast Shakespeare."
—Virginia Woolf



Rock of Ages

September 29, 1917

"John D. Rockefeller thinks universally; his yard-stick is the world, the whole human family. His invariable test is: How will it affect mankind?" wrote B.C. Forbes about the legendary founder of Standard Oil in September 1917. **More than a century later, Rockefeller's impact is visible nearly everywhere**—from the University of Chicago, founded with Rockefeller dollars, to the 19 buildings of Rockefeller Center in Midtown Manhattan, erected by John D.'s son in the 1930s. Members of the family continue to preside over the Rockefeller Foundation, which commands more than \$7 billion and is charged with "making big bets to promote the well-being of humanity." And Rockefeller's hand is still visible at the gas pump: All or part of ExxonMobil, Chevron, ConocoPhillips and BP are successors of Standard Oil, which was broken up by the federal government in 1911.

SOURCES: FAHRENHEIT 451, BY RAY BRADBURY; LES MISÉRABLES, BY VICTOR HUGO; SELF-PORTRAIT OF A HERO: THE LETTERS OF JONATHAN NETANYAHU; ADJUSTMENT DAY, BY CHUCK PALAHNIUK; DUSTLIGHT, BY COURTNEY M. PRIVETT; THE HUMAN COMEDY, BY WILLIAM SAROYAN; JUST AS I AM, BY CICELY TYSON; THE SACRED AND PROFANE LOVE MACHINE, BY IRIS MURDOCH; LECTURE TO ART STUDENTS, BY OSCAR WILDE; THE SHADOW OF THE WIND, BY CARLOS RUIZ ZAFÓN; WOMAN AND LABOR, BY OLIVE SCHREINER; THEY WHISPER IN MY BLOOD, BY FRANCISCA SOARES.

"If you are an artist at all, you will not be the mouthpiece of a century but the master of eternity."
—Oscar Wilde

"I ought to be ready at every moment of my life to confront myself and say, 'This is what I have done.'"
—Jonathan Netanyahu

"All I aspire to be and was not, comforts me."
—Olive Schreiner

"Imagine there is no God. There is no heaven or hell. There is only your son and his son and his son, and the world you leave for them."
—Chuck Palahniuk

"Sowing into the lives of young people is a worthy crusade. That is what it means to leave this world of ours more lit up than we found it."
—Cicely Tyson

"A good man leaves an inheritance to his children's children, and the wealth of the sinner is stored up for the righteous."
—Proverbs 13:22



FINAL THOUGHT

"I would—having already passed the Biblical span of three score years and ten—pass on contented if I could conscientiously feel that we have done something toward bequeathing a better world."
—B.C. Forbes

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RM 74-02

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Fast-rotating barrel
Case in Gold Carbon TPT® and 5N red gold

A Racing Machine On The Wrist